THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

May 10, 1941

Anglo-U.S. Loans Bulwark Free China But Affect Shanghai Little

BY JOHN AHLERS

Blow to Rice Hoarders

U.S. Leaders Blast Japan

Alaska Builds Defenses

Nanking Augments Anti-American Front; Follows Tokyo Precedent

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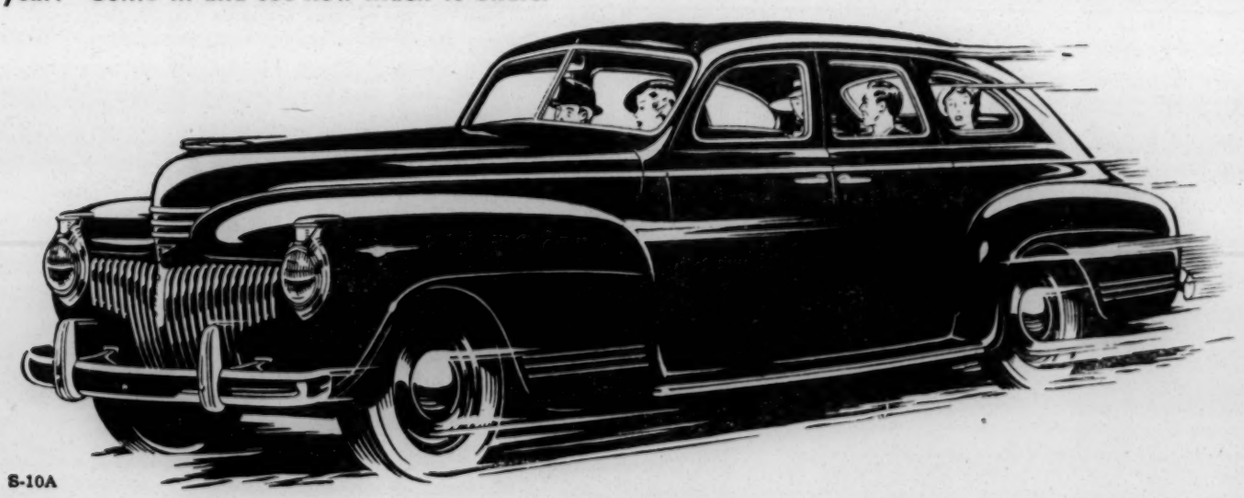

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Prepared By:

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

SOUTHWEST FARM PROGRESS

To the Editor:

Rapid progress has been reported in agriculture in the southwestern provinces as a result of direct financial and technical help from National Agricultural Research Bureau of the Ministry of Economic Affairs. The bureau, with stations staffed by 15 to 35 agricultural experts each, and distributed in Szechuan, Kweichow, Yunnan, Kwangsi and Hunan, has been instrumental in the study of agricultural conditions in the southwest to increase farm production, lay the foundation for scientific farming, and consolidate and reorganize agricultural insitutions in the province.

One of the major aims in the Southwest agricultural improvement program is the increase of cotton production. In Szechuan, farms devoted to the growth of improved cotton had only 9,015 mow in 1937, and had 250,000 mow in 1940, not counting those growing native cotton. Most of the improved cotton fields grew American varieties with an average raw cotton field of 44-63.4 catties per mow. Besides, the bureau made extensive studies in the multiplication and extension of cotton varieties in the southwest, climate and soil, farming methods, the prevention and cure of insects and diseases, as well as the training of cotton extention workers.

Experiments on fertilizers, insecticides, and fungicides have been made by the bureau with good results. More than 336,000 mow of cotton fields were treated by the Bureau's field workers in Szechuan, Yunnan, and Shansi in 1939. They gave additional pickings of 20 catties per mow or a total of 70,000 piculs of seed cotton as compared with untreated fields.

T. H. SHIH

Hongkong, April 15, 1941

CHINA'S NEW FOREIGN MINISTER

To the Editor:

The Chinese government has made a happy choice in the appointment of Dr. Quo Tai-chi as the new Foreign Minister. Dr. Quo has been in London since July 1932. First as Minister and then as Ambassador to the Court of St. James's, he has occupied one of the most important posts in which a diplomatist could be stationed, and he has occupied it with distinction. During the past nine years Dr. Quo has seen many a change in the British Foreign Office: from Sir John Simon to Mr. Eden, then to Lord Halifax, and since last Christmas back to Mr. Eden again. It is a credit to Dr. Quo that he has succeeded in winning the esteem and friendship of the successive British government leaders.

Besides leading a full life in London, Dr. Quo was one of China's chief delegates to the League, until the League ceased to function. It may be recalled that when Mr. Matsuoka walked out of the Special League Assembly in 1933, Dr. Quo was one of the exponents of China's case. At one time I had the privilege of working under Dr. Quo in Geneva, and found him an extremely amiable chief. It was then quite an innovation to have a woman expert attached to the Chinese Delegation, and I must bear witness that it was largely his enlightened views on sex equality that were responsible for the innovation.

The picture would not be complete without a word about Madame Quo, who has so splendidly assisted her husband. She is one of the wisest of women, and the ablest of home-makers.

Now Dr. Quo is called upon to assume greater responsibilities in the service of his country. His friends both at home and abroad wish him godspeed.

Yours faithfully,

LUCILE TANG-LIU

Hongkong, April 11, 1941

JAPANESE PLUNDER SOUTHERN CHINA

To the Editor:

A friend of mine who recently came from a fallen district somewhere in southern China told me the following story of the "New Order in the Far East" sponsored by the Japanese militarists.

Pun-Sha, a small village not far from Macao, was one of the first areas to be victimized by the aggressors. As soon as the enemy got there martial law was immediately established. While the army was occupying the place a great many Japanese, including the secret police, vagabonds and military prostitutes, rushed in and filled every corner of the village. Since then, Pun-Sha has been entirely at the mercy of the enemy.

The military prostitutes were an essential for relief of the "Royal Army" and were, needless to say, proud and impudent. They selected big and splendid houses for their "Relief Association" and forced many Chinese inhabitants to move out from their ancestral homes.

The products in the villages were absolutely controlled by enemy officials. Food became more expensive and most of the Chinese inhabitants were attacked by sickness because of lack of nourishment. In addition, the Japanese have ruled that every village must collect 500 catties of iron per month and contribute it to the headquarters;

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otherwise, a serious punishment will be imposed on the head of the village.

The above-mentioned facts are all that my friend my friend told me. Certainly they are the whole truth. Now then, can we bear and agree to such a "New Order" in the Far East? If not, how shall we answer the agressors?

HSU PAO-HSIEN

Hongkong, April 14, 1941

LEAGUE OF NATIONS

To the Editor:

While numerically restricted as to individuals, it seems to me that there is being created a nucleus of more intelligent interest with regard to the League of Nations idea than at any time I can remember. The basis for this statement is the fact that a considerable number of Americans have now reached the point of realizing the full implications of our having won World War No. 1 but lost the Peace. The proven futility of our isolationist policies during these past twenty years, given our present trend toward participation in another trans-oceanic war on an even grander scale than before, is automatically forcing a more serious consideration of what is involved in American leadership in a new world order. Such considerations are by and large devoid of emotionalism and are presenting themselves on a purely practical basis.

The President and those around him, I believe, are thoroughly committed to getting us into the war. But they have not been willing to take the public into their confidence todate in this regard, nor to indicate the long-term significance of the important reversal in our policy inherent in H.R. 1776. The periphery of America's power which now lies across the island fringes of the western Atlantic and the eastern Pacific are about to be extended to the very shores of Asia and Europe, an extension which will prove a major tragedy to both Europeans and Asiatics unless it is our intention to remain there as the dominant directing power.

Such an American imperialism pales to insignficance the grandiose schemes of Hitler, and yet such is the implied destiny of present trends in our policy —a destiny which Congress in its innocence or ignorance has not even commenced to think about.

Yet such is the logic of the policy to which events and the present leadership have taken us, that those who still have some semblance of balance must, against their former better judgment, assume the responsibility of pointing out to the nation what has thus far not been taken into account as the inevitable result of policies now being pursued, i.e., the permanent commitment of America to obligations abroad which have hitherto proven to be politically impossible in time of peace. Under these circumstances the League of Nations will certainly loom large in the American mind again. For a greater tragedy to mankind than even the triumph of Hitler would be a repetition of the abandonment by America of Europe and Asia at the close of the violent phase of our armed interposition in the present tragic conflict.

BROOKS EMENY

Clewland, Ohio, March 20, 1941

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New York Rubber, July	23.68/68
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Shanghai $100. equals Rupees	17½	17⅝	17⅝	17⅞	17⅞	17⅞
Shanghai $100. equals Pesos	10¼	10¼	10⅜	10⅜	10⅜	10⅜
Shanghai $100. equals Hongkong $	21	21⅛	21⅛	21¼	21⅜	21⅜

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ANGLO-U.S. LOANS AID CHUNGKING BUT AFFECT SHANGHAI LITTLE

BY JOHN AHLERS

The Chinese currency stabilization agreements signed late last month at New York between China and the United States, and China and Great Britain bestow substantial advantages on Free China. However, some quarters have overrated these agreements. Yet politically they clearly form another sharp and negative Anglo-Saxon reaction to Japan's attempts at exploiting the critical international situation in order to finally isolate and overthrow Chungking. They demonstrate Washington's and London's continued willingness to oppose Japan's China venture not only in words but also by means of indirect action through continual assistance to China. Financially, they once more multiply the foreign exchange reserves and resources behind China's national currency, secure Free China's balance of payments with the Sterling and U.S. dollar blocs, and give Chungking another chance of buying, and paying for, in the Anglo-Saxon spheres of power, a lot of supplies which otherwise might have been unavilable for Free China.

All this does not imply that Shanghai will derive, either directly or indirectly, any marked advantages from the two new stabilization agreements. The Shanghai business world, enthusiastic about the agreements when first forecast almost five months ago, in the meantime has learnted to appreciate the cold facts. Local exchange rates failed to improve markedly following the actual signing of the agreements. Only sentiment in the exchange market has become a little better. While there is no expectation that any particular minimum rate of exchange for Chinese dollars will be defended at all costs, there now is some confidence that without giving certain support Chungking will not allow the local rate on New York to drop below five U.S. cents, or that on London below threepence per Chinese dollar. On the strength of this hope, some local speculators recently ventured to sell exchange forward, feeling that they incur little or no risk of an immediate drop of exchange rates below the level of the early May days, and that a temporary improvement in rates is more likely—possibly through further British setbacks, general weakness of the British pounds, additional U.S. measures freezing foreign credits, and or increased import difficulties of Shanghai.

Fewer Sacrifices for Shanghai

The oversold exchange position at Shanghai, however, remains very small. The local market realizes that Chungking's financial and economic attitude towards Shanghai has changed, and that the Anglo-Saxon powers no longer encourage the Chinese National Government to commit itself to further great financial sacrifices on behalf of Shanghai. There is by no means certainty, or even probability, that Chungking will use its new Anglo-Saxon stabilization funds for putting up a strong defense of the Shanghai five U.S. cents rate on New York. Chungking, perceiving its political assets at Shanghai weakening or sacrificed, is less than ever inclined to care for Shanghai's own economic and financial interests. There is in Free China a definite tendency to abandon Shanghai, and to reproduce instead at Chungking some of Shanghai's financial facilities. The past few months already saw a half-hearted attempt at partial re-establishment at Chungking of a free exchange market. Influential Chungking circles world like to see Shanghai's foreign exchange assets in U.S.A. frozen, and the Chinese National Government invested with authority to dispose of such assest as far as they form Chinese holdings.

Practically nobody here expects Free China to use its new foreign currency resources as obtained under last month's stabilization agreements for a resumption of indiscriminating selling of foreign exchange against Chinese currency at Shanghai. If even Chungking

"Hello! Hello! Dis Vas Japan Speaking!"

Melbourne (Australia) Argus

should be willing to do so—which is not the case—Chungking's foreign exchange resources world be insufficient for such a purpose. Newspapers talked of U.S.$110,000,000 allegedly having been newly placed behind Chinese national curernc y. This figure is illusory; it results from superficial addition of very different financial positions. The actual sum of foreign exchange newly added to Chinese currency's exchange backing forms but a small fraction of that sum.

Strings Attached to Banks' Money

First of all, the amount of U.S.$20,000,000 which the Chinese Government banks are reported to have placed at the disposal of the new Stabilization Fund does not consist, of course, of new money. This amount already had been at the Chinese Government banks' disposal, and probably constitutes most or all of the foreign exchange assets those banks have left. Part of this money would appear to be either mortgaged or to have other strings already attached.

Next, the British £10,000,000 credit is not all new money. Half of it merely is an extension of the £5,000,000 British credit granted in 1939 as Britain's contribution to the ill-fated Anglo-Chinese Stabilization Fund. About a year ago, this Fund had spent almost all of its foreign exchange. Though since it has been buying back at various periods, part of it today consists but of Chinese paper money. The new £5,000,000 British credit does not at all constitute cash foreign exchange. Neither may it be drawn upon indirectly in order to finance sales of foreign exchange at Shanghai. It is merely supposed to provide coverage for new Free China supply purchases in Sterling bloc areas, relieving Chingking from the necessity of raising foreign exchange to pay for such supplies. Although in this way these £5,000,000 will indirectly improve Free China's foreign exchange position, the amount actually forms just another credit loan against which supplies but not cash may be obtained.

Covers U.S. Dollar Obligations

Finally, as regards the American U.S.$50,000,000 credit for stabilization purposes, the total or the bulk of this sum undoubtedly is not supposed either to provide exchange for open market intervention in favor of the Chinese dollar's exchange rating. No reliable information about all the details agreed upon between Messrs. Soong and Morgenthau in respect of this credit as yet has reached Shanghai. But it is obvious that part of this money is to be used for coverage of newly arising U.S. dollar obligations of Government and private interests in Free China in much the same way in which the whole of the new British £5,000,000 credit is to be spent. It may be that some of this money will be all owed for expenditure upon Shanghai and Japanese-occupied China. This will be done, eventually, only with definite discrimination in favor of certain Chinese and Anglo-Saxon interests and of a few supplies vital to these interests, and certainly with a definite view to preventing the Japanese and their puppets from directly or indirectly taking advantage of of such facilities.

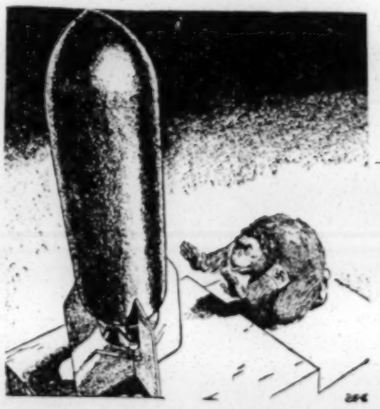
There now are roughly three branches of American Free China trade. The one branch is the trade under the recent American credit loans to China, with Universal Trading buying supplies for Chungking in U.S.A., and the Foo Shing Corporation organizing Chinese monopoly exports to U.S.A. in repayment in kind of the credit loans in question. The second branch soon will be one-sided American supply shipments to China's National Government under the U.S. Lend-Lease Bill, with no foreign exchange problems immediately arising. The third branch is private Sino-American trade, and it is chiefly this third branch which is to be benefited by the new American stabilization credit.

Chief purpose of the new Anglo-Saxon stabilization loans or credits to China is the equalization of Free China's balance of payments with the United States and the British Empire. Some 90 per cent of Free China's foreign trade with countries others than Russia is being transacted with the two great Anglo-Saxon powers. With passive Chinese balances of payment arising out of this trade taken care of, Free China's current foreign exchange problems seem mainly solved, and the purpose of the stabilization loans achieved. The loans do not and cannot solve, of course, Free China's domestic problem of the Chinese dollar's internal purchasing power. Whether and how this problem will be solved, will depend decisively on the future extents of the volume of production and of fiscal inflation within Chungking's sphere of power. Except for occasional, partial, and no more than small-scale exchange support, the Chinese dollar at Shanghai is likely to be left chiefly to itself.

Roman and Greek Churches Recognized in Japan

Both Roman and Greek Catholic churches in Japan have been "recognized" in connection with the new plan of the Japanese Government to force all Christian religious bodies to merge themselves into a single organization, according to *Domei* report from Tokyo. As a result of the recognition accorded by the Ministry of Education, the two Catholic groups will become "legal bodies" under Government supervision, stated the report. The first head of the new Japan Catholic Church will be Archbishop Peter Tatsuo Doi, a Japanese, which also accords with the law requiring the heads of all religious sects to be Japanese subjects. The report stated that there are at present 278 Roman Catholic churches in Japan. The number of Greek Catholic churches was reported as 270 with a membership of 117,000 Japanese believers.

New Worship



London Daily Mirror

The new Japanese regulations, referred to in the foregoing, were adopted by the Diet some time ago. They require all Protestant and Catholic sects to combine into one "Christian Church," which will be granted the sole right to send missionaries to China.

Most of the Protestant organizations have announced their intention of withdrawing from the country, the latest being the Foreign Missions Division of the Methodist Church. The action was taken at the annual convention of the Church at Nashville, Tennessee on May 1. The announcement made by Dr. Ralph E. Diffendorfer stated that all missionaries in the organization had been advised to withdraw from Japan, Korea and Japanese-occupied China. He said the withdrawal was temporary and that the missionaries would return to their posts when conditions return to normal.

Officials of the American Embassy in Tokyo said they had not been informed of the action of the Methodists in ordering a withdrawal of their workers from Japan.

It also was reported there had been no further report regarding the arrest of a number of American and British missionaries in Korea some time ago.

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The U. S. Ambassador, Mr. Joseph G. Grew, acting on behalf of the Diplomatic Corps in Tokyo, on March 24, lodged a vigorous protest with the Japanese Foreign Office over, "recent cases of actual bodily attacks or insulting behavior on the part of Japanese nationals against foreign diplomatic officials," according to *Associated Press* report from Tokyo. The report stated that Mr. Grew's protest was the immediate outgrowth of an in-

cident involving Count Tascher de la Pagerie, French Commercial Attache, whose leg was broken in a scuffle with a taxi driver in Kobe on Feb. 28. The French official was also subjected to mistreatment by Japanese police and customs officials, stated the report. The French made representations to the Japanese Government, immediately after the incident, hence Mr. Grew's protest was for the purpose of enforcing the French protest and also was broadened to cover other recent cases of Japanese attacks on foreigners in Japan.

The protest of the American Ambassador aroused widespread attention in Japan because Yosuke Matsuoka, Foreign Minister, prior to his departure for Europe, had made a speech in Osaka werein he advised the Japanese to discontinue their "anti-foreignism" which the Foreign Minister said was creating a bad impression abroad.

Nanking Strengthens Anti-American Front Following Tokyo Precedent

THE Japanese-protected Nanking Government on May 1 announced the appointment of Tang Leang-li, outstanding opponent of Americans and American interests in China as "Political Vice-Minister of Foreign Affairs." Previously, Mr. Tang occupied the posts of Director-General of the International Publicity Board and Ambassador Without Portfolio. He still holds these posts in addition to his latest appointment.

Tang Leang-li, recently appointed Political Vice-Minister of Foreign Affairs of the Nanking Government, holding concurrently the positions of Ambassador Without Portfolio and Director of International Publicity.

Simultaneously with the announcement of Tang's appointment, the *Central Press Service*, which is the official organ of the Nanking regime, broadcast a declaration that the appointment "indicated special importance which the 'National Government' attaches to the promotion of closer relations with the Axis Powers." Continuing, the Nanking press hand-out said that the appointment "was especially important because 'Ambassador' Tang was already well-known in Germany, which country he visited in 1936 on a special mission, and because he is the originator of the movement against American aggression in China.....he is known to have very strong and definite views on certain aspects of foreign relations as may be gauged from his numerous publications and statements."

Although Tang has no direct connection with the kidnappers and assassins who operate in the Shanghai badlands under another branch of the Nanking Government, he allegedly assisted in the compilation of the Nanking Government's list of American journalists marked for deportation and the eighty odd Chinese newspapermen marked for a worse fate because of their alleged affiliations with the loyal Chinese National Government at Chungking. He told an American correspondent that any Chinese journalist opposing the Wang Ching-wei "peace movement" would be likely to suffer a fate similar to that of Sammy Chang, well known editor, who was shot in the back and killed. Succeeding events have proved the correctness of Tang's forecast.

Most of his publications, incidentally, whether in the form of magazines or books, have been eulogies of Wang Ching-wei, whom Tang has served as English secretary for many years. Some of his books, issued when Wang was a member of the Government and in friendly relationship with loyal and patriotic members of the party, were strongly anti-Japanese, one in particular attacking the Japanese in vitrolic terms for their rape of China's Manchurian provinces. Today, Mr. Tang extols Wang Ching-wei's partnership with the Imperial Japanese Army in the creation of a "new order in East Asia." He expressed approval of the Russo-Japanese Pact, which included a mutual recognition of Chinese territory—Manchuria and Mongolia—which each had seized in recent years. The English language edition of the *Central Press*, which Tang edits, called the pact a "realistic document." However, he found it difficult to relinquish "anti-communism," which was one of the fundamental principles of the Nanking Government, along with "peace and national reconstruction."

A few days later Tang issued, also through *Central Press*, a rather involved explanation showing how Hitler and Mussolini, although in friendly relations with Stalin, are, nevertheless, against Communism. He said that anti-communism was a domestic issue in China and did not concern the Soviet Union, an explanation considerably at variance with the facts in the situation.

Last Sunday, *Central Press* issued a report stating that Mr. Tang had been widely congratulated on his appointment as Political Vice-Minister of Foreign Affairs. Among those congratulating him, aside from his associates in the Government, were the names of two Italians and a Japanese, but no Germans! One wondered at the omission, as *Central Press* had already announced that one of Tang's chief qualifications for his job was his wide acqaintanceships in Germany.

Tang Leang-li was born in Java, Netherlands Indies, of Fukienese parentage. He was educated in London and Vienna and upon his return to China he served as correspondent for the German *Sozial-demokratischer Pressedienst Deuschlands of Berlin*. It is said that Mr. Tang is much more familiar with the English and German languages than with his native Chinese. One of his publications, "China in Revolt" was translated into German and published at Leipzig. He is 40 years old.

In 1936 when Tang was sent to Germany on a special mission by Wang Ching-wei he came under the influence of the Nazis and since has been an ardent admirer of the German dictatorship.

Americans, who have always prided themselves on their good standing with the Chinese people, were astonished to discover—following the creation of the Nanking Government—that America was China's most sinister enemy. Day after day the Chinese-language press controlled by the Nanking regime pointed to the Americans as China's worst aggressors. One paper in particular, the *Central China Daily News*, personal organ of Wang Ching-wei, probably hasn't failed to publish an unfriendly reference to the United States at least once a day since the paper's establishment. The paper is published in the International Settlement, on Honan Road, within two blocks of the American Consulate-General and receives special police protection.

Since Tang's publications, whether in English or Chinese, are noted for their anti-Americanism, it is not difficult to find references to prove the correctness of the *Central Press* allegation that he was the originator of anti-Americanism in present-day China. In order to make

sure that Tang's anti-American editorials are read in the foreign community, the *Central Press* circulates an English translation to the local foreign newspapers as a part of its daily service. The following are a few references from recent issues:

April 30—Subject, final victory—"Britain has mortgaged a large part of her property and is waiting for America's assistance, thinking this will lead to final victory.' Although the U.S. seems very active and eager to join in the game it is doubtful whether American participation in the war would change the situation. It is probable that with American participation, Britain would lose still more. It is also open to question, whether America will give anything to the countries which have suffered heavy losses, when she wins. Can true leaders of a nation build their hopes on such hallucinations? This is the situation both in Europe and the Far East. No matter what will happen, America will not take any serious risk for the Yellow Races."

April 29—Subject, the recent loans to Chungking—"To Chungking, which insists upon continued resistance, the loans serve as another 'injection' which has revived its enthusiasm....Chungking propaganda organs are making much noise about the decision to fight till the end for the democratic countries.... It appears that except by doing so, Chungking has no other way to repay its master, the United States ....One loan which is still under negotiation will further stimulate the enthusiasm of Chungking although, owing to the American attempt to gain profits, may not be signed for some time yet.... Labor unrest in America is assuming serious proportions and has greatly obstructed the plan for national defense...."

April 28—Subject, conclusion of the Balkan war—"As to the promised assistance from the United States, it has not been forthcoming, which situation created a very bad impression among the officers (Yugoslavs and Greeks)....Once this impression was created, it was very difficult to expect the troops to fight efficiently....On the other hand the German troops were well organized and well-coordinated and were fighting for one purpose....the creation of a new world order and they were confident of their own strength....Greece and Yugoslavia suffered heavy losses because they refused to take the fate of Poland as a lesson. Other countries will possibly meet the same fate if they refuse to take Greece and Yugoslavia as a lesson...."

April 25—Subject, Chungking-American agreement and Japanese-Soviet pact—"No matter what agreement the United States may enter into and no matter what assistance America may give, Chungking is not qualified as her hireling. If Chungking wants to be qualified as a stooge for the United States, it must be able, at least, to help America to restrain Japan's activities in the Far East and to accomplish the mission which America expects it to carry out once a Japanese-American war break out in the Pacific. Has Chungking this ability? No!.... We would like to warn the American Government that this stupid policy will not only continue to disturb the peace of the Far East, but destroy entirely the foundation of the friendship established in the past by the United States with the Chinese people....If Chungking could sit down quietly and consider the present situation in China as well as the international situation without prejudice, it would be able to realize that the ambition of the United States in the Far East is only to create constant disturbances....Unfortunately, Chiang Kai-shek and his satellites have been bought over with surplus funds by the United States...."

April 23—Subject, Chungking's foreign affairs—"Can Chungking really establish closer relations with Britain and America? It is impossible because when Britain and America need Chungking, Chungking will be employed as a tool and when Britain and America have no further use for Chungking, Chungking will be left alone just as happened last year....At present Britain and America need Chungking, hence they must appoint some energetic person to carry out their 'independent' diplomacy—which explains the appointment of Quo Tai-chi as Foreign Minister at Chungking...."

April 19—Subject, Far East and European War—"As a movement for national emancipation has sprung up in the Far East, it will strive to free the Yellow race from the yoke of the white race....No matter how the movement will develop, it will prove harmful to the illegal interests of Britain and the United States in the Far East....Regarding the hostilities in the Far East Britain and the United States would not like to see either a Japanese victory or a Chungking success, because no matter who wins the war, it will prove disadvantageous to Britain and the United States....They are even more afraid of Mr. Wang Ching-wei's so-called 'peace movement' ....once peace is attained China and Japan will cooperate to free the oppressed peoples of the Far East from the yoke of Britain and America.

April 9—Subject, Shanghai bombings and assassinations —"Chungking's remnant political power is still supported by the British and American imperialists as well as the agents of the Third International in China....Chungking authorities do not think of the interests of their own country and people, and will never realize their own mistakes...."

April 4—Subject, problem of American participation— "America has special interests in the Pacific and except for Hawaii, America has never succeeded in gratifying her ambitions....This is indeed an opportunity for the United States to establish her predominant position in the Pacific....There is no reason to believe that the United States is still far away from the war....In fact she is already on the brink of the conflict...."

April 3—Subject, tense situation in the Balkans—"Whether Yugoslavia will play into the hands of the British and Americans or not is another problem. But we must note here that the traditional objective of the British and American imperialists is to preserve their own interests by sacrificing the flesh and blood of other nations or peoples...."

April 2—Subject, British activities to establish closer relations with Turkey and Greece—"Britain and America are planning now to spread the European conflagration in all directions....Those countries which really love peace should cooperate and check the spread of the holocaust....We certainly hope the Turkish and Greece authorities will keep alert...."

STIMSON, PEPPER UNLEASH BLASTS AT JAPANESE INVADERS

Col. Henry Stimson, Secretary of War, and Senator Claude Pepper, Florida Democrat and ardent interventionist, this week unleashed fiery blasts against the Japanese invaders.

Colonel Stimson described Italy and China as Hitlerian vassals and condemned Japan as "guilty" of unprovoked attacks . . . on her neighbor, China." His remarks were part of the strong speech in which he advocated that the United States Navy convoy materials to Britain.

The Secretary of War said further:

"The people of the United States have been greatly blessed by the geographical conditions of their homeland. Two broad oceans lie east and west of us, while north and south of us are only friendly nations of whose intentions and power we have no fear. Thus the instinct of our people in regard to their ocean defense is a sound instinct.

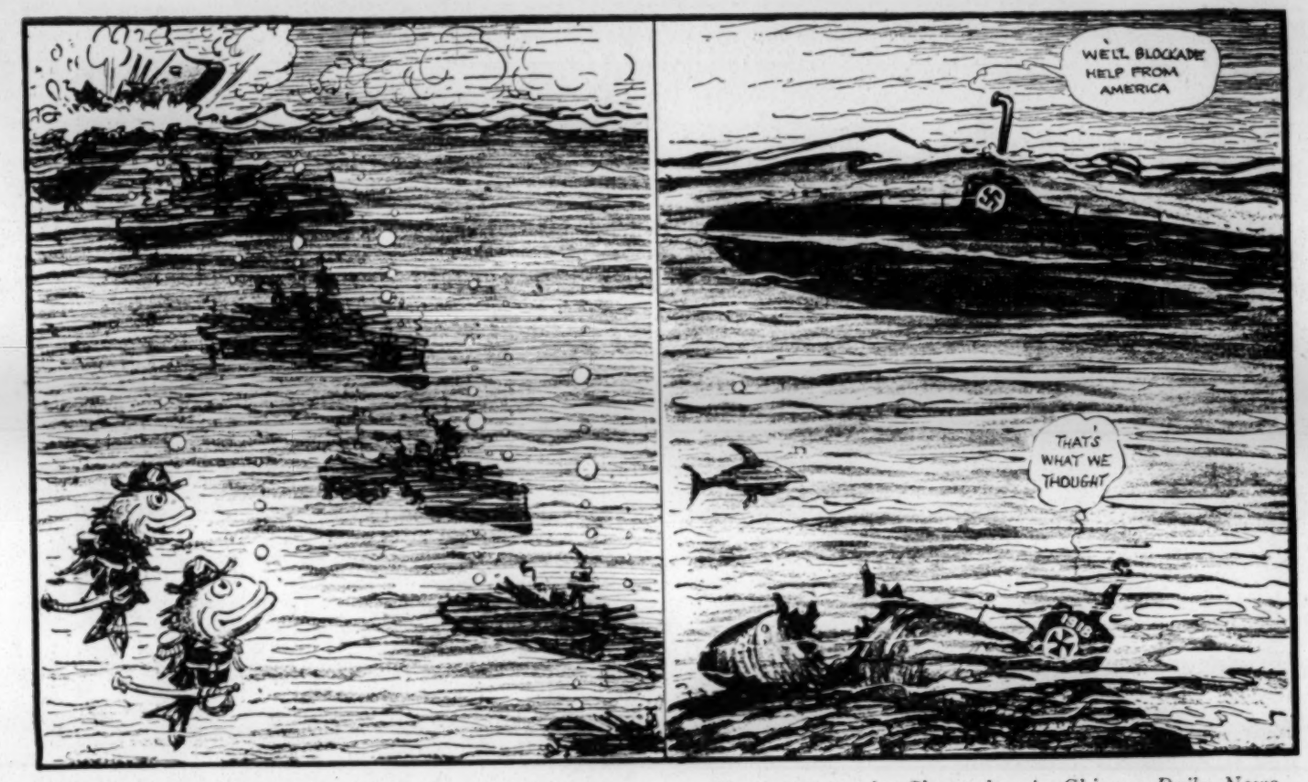
"There is a great possibility of protection in the fact that we have the Atlantic Ocean between us and Europe and the Pacific Ocean between us and Asia. So long as these oceans are under our own or friendly control, these broad waters constitute an inseparable barrier to any armies which may be built up by would-be aggressor governments.

Senator Pepper said that the American people were willing to "spill their blood" to crush Germany and were eagerly awaiting Government leadership to put forward a program to defeat the Axis. As one move, he advocated U.S. occupation of points and the Far East and crushing of Japan by military force.

He advocated changing the law which prohibits China from recruiting pilots in the United States. "In my opinion," he declared, "50 modern bombing planes with American pilots at the throttles could make a shambles out of Tokyo." He added that dropping some bombs "in an inadvertent way" on the Japanese would speak in a language they would understand.

Italian Fleet Review

Voice From the Deep



Two cartoons by Shoemaker in Chicago Daily News

Chungking Denies "Tacit Consent" For New Provisional Council

A spokesman of the Chinese Ministry of Foreign Affairs at Chungking last week officially and categorically denied recent allegations that the Chinese Government had given "tacit consent' to the new provisional organization of the Shanghai Municipal Council. The reorganization reinforces Axis power on the Council, adding a Japanese member and introducting a German member to the Council.

The Chinese members of the Provisional Council have not been elected by the Chinese Ratepayers' Association in accordance with the legal procedure and therefore they cannot be recognized by the Chinese Government, the spokesman told the *Kuomin* news agency.

The Chairman and vice-Chairman of the Ratepayers' Association this week issued a joint statement in which they said the Association refused to recognize the Chinese members of the S.M.C. unlawfully nominated in Shanghai. The acts of the illegally nominated members will have no binding force on Chinese ratepayers in Shanghai, the statement declared.

The new Council held its first meeting last week and established the following committees for the year 1941-42:

Finance Committee.—H. E. Arnhold, C. G. Gadow, Y. Hanawa, Yulin Hsi, Jabin Hsu, F. S. Hsu, G. Kambe, J. H. Liddell, R. T. McDonnell and T. S. Powell; Watch Committee.—N. F. Allman, Theodore C. Chang, W. A. Hale, F. Hoehnke, Jabin Hsu, R. G. MacDonald, G. E. Mitchell, I. Okamoto, O. Okamoto, and Zia Zung-voh; Works Committee.—C. H. Chen, Y. Hanawa, T. Haraguchi, F. J. Hookham, R. T. McDonnell, G. E. Marden, P'eu Sei-seng, H. S. Poulsen, Dr. G. Probst and Mr. Zee Yin Hao. Staff Committee.—J. D. Carriere, Theodore C. Chang, A. Glathe, Yulin Hsi, R. T. McDonnell, Dr. R. J. McMullen, G. E. Mitchell, I. Okamoto, T. S. Powell, R. von der Crone, Y. Yazima and L. T. Yuan; Public Utilities Committee.—N. F. Allman, J. D. Carriere, S. F. Liu, G. E. Mitchell, T. S. Powell, T. K. Tsutsumi, R. von der Crone, Y. Yazima, Zao Zu-wo and Zurtin Zao; Health Committee.—Drs. P. T. Chow, E. G. Gauntlett, A. Glathe, G. A. Haley, K. C. Hsu, Drs. R. J. McMullen, Muto Nardone, Mr. Y. Noda, Drs. W. S. Parsons, J. de Portaria Szeming Sze and Y. Tongu; Education Board.—Dr. K. Bartelt, A. Borndal, A. V. T. Dean, Mrs. L. Giles, Victor Hanson, W. J. Hawkings, K. Kuroda, K. I. Loh, Dr. R. J. McMullen, Y. Nomura, Dr. K. Sidney Wei and L. T. Yuan; Industrial and Social Affairs Committee.—Mr. N. F. Allman, Mrs. J. S. Barr, Rev. C. L. Boynton, J. D. Carriere, C. Fumagalli, R. H. Heyworth, T. Y. King, I Okamoto, Mrs. J. H. Sun and J. M. Tavares.

Supplies Committee.—Sir Robert Calder-Marshall, E. M. Gran, G. A. Haley, F. Hoehnke, C. J. Knipschildt, L. W. Hutton, W. J. Lee, W. Mellor, Dr. K. Sugimura and T. Wakimoto; Library Committee.—Mrs. A. Baer, Dr. G. Costantini, E. Ema, Paulsen Lee, Rev. P. C. Matthews, Mrs. A. W. Sherriff, Tseu Yih Zan, E. S. Wilkinson, R. Yamada and L. T. Yuan; Orchestra and Band Committee.—Ch. Grosbois, A. Harman, E. F. Harris, Lee Wei Ning, L. de Luca, J. S. Potter, Mrs. Sato Togano, R. von der Crone and Prof. B. S. Zakharoff; Board of Film Censors.—W. J. Hawkings, Mrs. C. T. Hutchins, Kiung Sing-wu, T. K. Li, L. de Luca, G. Miyazaki, H. G. Nelson and Dr. G. Probst.

Studying Relief Problems

Three Americans, who have been making an intensive study of relief problems in China: Left—Dr. A. W. Tucker of St. Luke's Hospital, Major Arthur Bassett, and W. Wesselius, all members of the American Red Cross Committee in China, which has the job of distributing food, clothing and medical products to war victims in China.

The Chief War Aim

Zez in London Daily Mirror

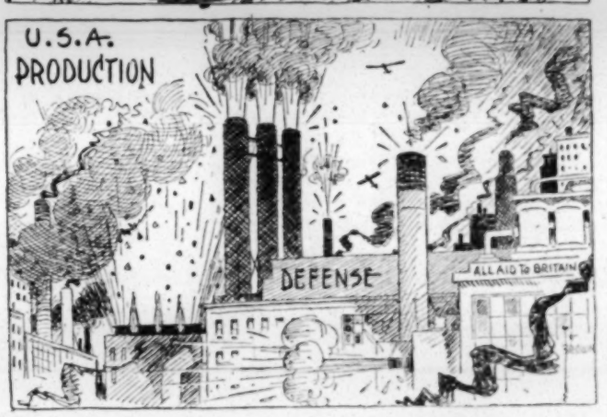
"Nippo, Little Man - What Now?"

From "China at War" Hongkong

"You Dirty Meddler"

New York Post

Smoke of Battle



Washington Post

Anxious Moment

South Wales Echo

"Hands Across the Sea"

Orr in Glasgow Record

American Aurora

Chicago Daily News

No Fish Allowed

St. Louis Star-Times

Racial Supremacy!

Chicago Daily News

"Pressure But No Results"

New York Times

Writer Finds Chinese Mystified but Not Dismayed By Signing of Russo-Japanese Agreement

BY C. Y. W. MENG

Chungking (By Mail)—The conclusion of the Neutrality Pact with Japan by the U.S.S.R. on April 13, 1941 brought greatest disappointment to the Chinese yet experienced during these four years of resistance. It is far more disappointing and serious than the "Anglo-Japanese Formula," entered into during the Craigie-Arita talk in the summer of 1939. Omitting the verbiage usually companying such documents, we find the salient features in Article II and the "Joint Declaration." The former states:

"In case either party becomes object of military action by one or more third powers, the other party shall observe neutrality throughout such conflict."

The Joint Declaration reads:

"The Government of the Japanese Empire and the Government of the U.S.S.R., in order to assure peaceful and friendly relations subsisting between them, on the basis of the spirit of the Neutrality Pact concluded between the two countries, respect, on the part of the Japanese Empire, the territorial integrity and inviolability of the People's Republic of Mongolia, and on the part of the U.S.S.R. the territorial integrity and inviolability of the Empire of Manchukuo."

By adding the Joint Declaration, the whole pact becomes more than a neutrality or non-aggression pact. It amounts to virtually agreements so frequently entered into between two imperialistic powers in the past century when they recognized their respective "sphere of influence and interest" in a victim country.

Possible Excuse for Britain

When the "Anglo-Japanese Formula" was entered into, and when London agreed to close the Burma route to the southwestern China for a period of three months, the Chinese were also disappointed and they also raised bitter opposition against the British appeasement policy with Japan. But the Chinese intellectuals were, however, of the opinion that London was apparently forced by the circumstances to do so, as Great Britain was and is fighting a life-and-death struggle herself with her enemy.

But in case of the Soviet-Japanese Neutrality Pact, the Chinese are not only disappointed but mystified, as they can see no reason why Moscow should take such a move. The Chinese contend that if it is Moscow's intention to avoid participation in the war in Europe and the Pacific, this is the very desire of the Axis powers and no neutrality pact is required. If it is the intention of Moscow to free herself from difficulties in the East, so that she may pay more attention to the West, what Moscow is doing amounts exactly to what the Chinese proverb says: "To talk with the tiger in an attempt to take down his skin." Japan is a partner to the Axis party, so such action is useless as well as unwise.

The Chinese also see a marked difference between the conclusion of the Soviet-German Non-Aggression pact shortly before the outbreak of the War in Europe and the Soviet-Japanese Neutrality Pact. In the former case, the Chinese agreed that London was largely to be blamed, but not Moscow. The appointment of Mr. Strang, *persona non grata* to Moscow, had finally ended all hopes for the Anglo-Soviet cooperation. But China takes entirely different course of action. Both before and after the outbreak of the war with Japan, China had made repeated attempts to enlist the Soviet cooperation in her war of resistance. China did not appoint a Mr. Strang to Moscow. On the contrary, she appointed Dr. Sun Fo (son of Dr. Sun Yat-sen and now President of the Legislative Yuan), *persona grata* to visit Moscow twice. Dr. Sun's devotion to, and advocation of, the Sino-Soviet cordial relations need no explanation by us. So if nothing resulted and crystallized from the conference, both nations are to be blamed, but not China alone.

So while Moscow possibly was justified to come to an agreement with Germany, she had no justification whatever to come to an agreement with Japan!

Chungking Perplexed

There are other reasons why Chungking was very much mystified by Moscow's move. The Chinese pay much attention to the Communist idealogy of "just war" and "unjust war." The war of resistance which the 450,000,000 Chinese have been fiighting for four years is a "just war"; while the war of aggression which the Japanese militarists are now fighting in China is a "unjust war." According to the Communist idealogy a "just war" has always the support and sympathy of the Soviet Government and people, while an "unjust war" has not. Russia bitterly condemned the Japanese aggressive war in China from the very beginning. As the character of the war could never be changed, so the Chinese believed of the Moscow action.

Secondly, the Chinese have much faith in what is said by the Soviet leaders. M. Stalin once said:

"We stand for rendering of support to nations which have fallen prey to aggression and are fighting for the independence of their countries." (speech delivered at the 18th Party Congress held on March, 1939).

M. Molotov, now the one who signed the pact with Japan, when replacing Litvinov as Foreign Commissar, in his first speech on May 31, 1939, said:

Chungking Mecca For Well-Known Writers

Chungking becomes the Mecca for well known American writers—Mr. and Mrs. Ernest Hemingway (left) who are now traveling in West and Southwest China. Mrs. Hemingway, who writes under the name., "Martha Gelhorn," is correspondent for Collier's while Mr. Hemingway sends articles to the newspaper PM in New York. On the right are Mr. and Mrs. Hemingway having tea with Dr. H. H. Kung, Minister of Finance, and representatives of Chinese cultural societies. The pictures were taken by Thomas Kwong.

"There is no need for me to deal with our attitude toward China. You are well acquainted withh Comrade Stalin's statement about giving support to nations which have become victims of aggression and are fighting for the independence of their countries. This fully applies to China and her struggle for national independence. We are consistently pursuing this policy in practice."

Again, in his speech before the joint sitting of the Soviet of Union and the Soviet of Nationalities, held in August, 1939, M. Molotov said:

"The Japanese have continued to occupy the principal cities and considerable part of territory of China. Neither is Japan refraining from the hostile acts against the U.S.S.R. Here (meaning, the Far East) too, the situation has been changed in the direction of further aggravation. In view of this state of affairs, the conclusion of the Pact of Non-Aggression between the U.S.S.R. and Germany is of tremendous positive value, eliminating the danger of war between Germany and the Soviet Union."

The Chinese opine that all these Soviet utterances amount to the declaration of the Soviet policy, and constitute solemn pledges to which the Soviet should observe faithfully.

Believe Russia Sincere

Thirdly, the Chinese believe that the Soviet will always uphold the sanctity of treaties and agreements which she had entered into with other powers, and that she will always live up to her promises. Article 4 of the Sino-Soviet Agreement of 1924 reads:

Two Governments jointly agree not to recognize as valid any treaty, agreement, etc. concluded between Russia since the czarist regime and any third party or parties affecting the sovereign rights and interests of the Republic of China.

Again, Article II of the Sino-Soviet Non-Aggression Pact, concluded on August 21, 1937, reads:

In the event that either of the High Contracting Parties should be subjected to aggression on the part of one or more third Powers, the other High Contracting Party obligates itself not to render assistance of any kind, either directly or indirectly, to such third power or powers at any time during the entire conflict, and also refrain from taking any action or entering into any agreement which may be used by the aggressor or aggressors to the disadvantage of the Party subjected to aggression.

The Chinese will further point out that to join the "Anti-Comintern Pact" of the Axis powers was one of the Japanese demands to China, but China strongly refused to agree, one of the reasons being that the adherence to such a pact would violate both the letter and spirit of these Sino-Soviet agreements on the part of China—a step which China would never do.

For all these reasons, the Chinese never thought that Moscow would take such a move. So when foreign observers were asking: "What is in Stalin's sleeves?" "Is the Soviet Union not a 'red imperalist'?" and "Will Moscow take the same step with China as a victim?" in view of the Soviet military activities in Poland and Finland, I found, the consensus of the Chinese opinion was that Chungking had implicit faith in Moscow's intention. So for all these reasons, Chungking was quite mystified when such a pact was signed, and such a joint declaration was made by Moscow, stipulating "respect of the territorial integrity and inviolability" of the Outer Mongolia and the Manchukuo, a puppet and bogus administration which the Soviet had bitterly condemned before!

Important Problem

The problem of the Outer Mongolia is likely to remain an important one in Sino-Soviet relations, the settlement of which will test much ingenuity of the Sino-Soviet friendliness and will tax the ability of the Chinese and Soviet diplomats.

The Chinese have been claiming her sovereignty over the Outer Mongolia. It was finally settled in the Sino-Soviet Agreement of 1924, Article V of which reads:—

The Government of the U.S.S.R. recognizes that the Outer Mongolia is an integral part of the Republic of China, and respects China's sovereignty therein.

Ever since the outbreak of war with the invader, the Chinese nation has been hoping most anxiously and momentously that the Outer Mongolia which is "an integral part of the Republic of China," would join in the war. Chinese intellectuals do not hope that the Soviet will fight for China, but they do hope that the Outer Mongolia would fight for their Fatherland.

The Chinese did not press Moscow hard for the settlement of the Outer Mongolian problem for no other reason than that it was not the intention of the Chinese authorities to mar the friendly relations which had been happily existing between the two nations.

But to the greatest disappointment of the Chinese, in the Soviet-Japanese Joint Declaration, special reference was made to the Outer Mongolia and Manchukuo, which amounts, almost to complete alienation of these these districts from China in total disregard of the Sino-Soviet agreements and solemn promises.

"Many-Edged Diplomacy"

Despite such an undesirable occurrence, I find that Chungking's faith in Moscow's intention is not yet entirely lost. The Chinese intellectuals opine that being so geographically situated, Moscow has to adopt what is called "many-edged diplomacy" to deal with the situation, which might necessitate the change in the course of action at some moment. But the Chinese believe that the fundamental principles of the Soviet policy to oppose aggression must remain unchanged. They believe Moscow might have been forced by circumstances to sign the pact with Japan, but her intention is not to desert China at the critical moment.

The Chinese further opine and point out that this Soviet-Japanese pact comes into existence when the Sino-Japanese war will soon enter its "fifth year" on July 7, 1941. By stipulating that "in case either party becomes object of military action...," it means obviously another expectant war, but not the war which has already been in existence for four full years. So the Chinese venture to opine that such neutrality pact might not work so far as the Sino-Japanese War is concerned, and that the Soviet assistance to China would be continued. In entering into an agreement, both contracting parties mean war other than the Sino-Japanese war.

To the Chinese intellectuals, the Soviet-Japanese Neutrality Pact is just as offensive to the Chinese as to the Americans. It is needless for us to reiterate the fact that negotiations have been on foot for a considerable length of time between Washington and Moscow to seek for improvement in the American-Soviet relations and cooperation in the Far Eastern affairs. The Chinese have been hoping that such negotiations would soon be crystallized into American-Soviet cooperation in coping with the Far Eastern situation. No Chinese intellectual would say that the American-Soviet affairs are "none of our business." On the contrary, the Chinese are deeply interested in the American-Soviet relations, and are hoping that both will cooperate with each other. The Chinese popular opinion is that the European nations may go on to fight among themselves, the Japanese militarists may carry on their aggressive war in China, and the Axis powers may enter into more agreements, one after another; but the key to the final situation is not in their hands. Roosevelt and Stalin hold the key!

But in entering a neutrality pact with Moscow, it is very obvious that Tokyo's principal motive is not so much to force Moscow to cease to assist China as (1) to end all hopes for the American-Soviet cooperation; (2) to isolate the United States; (3) to nullify all the American efforts in fortifying their territorial possession in the Pacific; and (4) to have a "dual meet" with the United States alone in their southward expansion movement without fearing the possibility of meeting an "American-Soviet combination."

Moscow's affixing her signature on the pact signifies equally obviously that the American-Soviet negotiations in the past have made no headway at all, and that the opportunist Tokyo had made every possible use of the opportunity. How would Washington do with the situation? All eyes on Washington!

The discussion of the Sino-American relations has again figured out prominently among the Chinese since the conclusion of the Soviet-Japanese Neutrality Pact. In an editorial on "The American Spirit," the *Ta Kung Po* of April 17 expressed its ardent hope that the United States would live up to her "lofty ambition" to be the leader in the world politics, and to create "a greater period" in the American history. The paper opined that such historic day begins "today," meaning April 13, the conclusion of the Soviet-Japanese Neutrality Pact.

Inasmuch as Chungking's faith in Moscow's intention is not yet lost, and with the existence of "the American spirit" and the American "lofty ambition," the Chinese are, therefore, not dismayed, though quite disappointed and very mystified, by the Soviet-Japanese Neutrality Pact.

Municipal Council Plans for Rice Importation Deal Blow to Shanghai Hoarders

Shanghai Municipal Council plans for importation of rice from Hongkong have at last dealt Shanghai's price raising hoarders their death blow. Following the announcement of the new arrangement, rice prices dropped $16 a zah this week.

A bulletin issued by the Shanghai Municipal Publicity Office revealed that the Bureau of Social Affairs has concluded satisfactory arrangements with the Hongkong Government whereby large quantities of rice will be imported into Shanghai for sale to the public at the lowest possible prices. In accordance with the agreement, 5,000 tons of Rangoon rice will be shipped to this city immediately and further regular shipments to the extent of 20,000 to 25,000 tons per month will follow as required. With the exception of trade orders, for which export permits have already been obtained with which trade orders do not exceed 2,900 tons, no further permits for export of rice from Hongkong to Shanghai will be granted except to the Shanghai Municipal Council.

Because the Council is determined that these supplies from Hongkong shall be made available to the public at reasonable prices, the maximum retail price for the grain will at least temporarily be set at $110 per zah or 80 kilos. The first consignment of this low-priced grain is expected to arrive in the early part of this month.

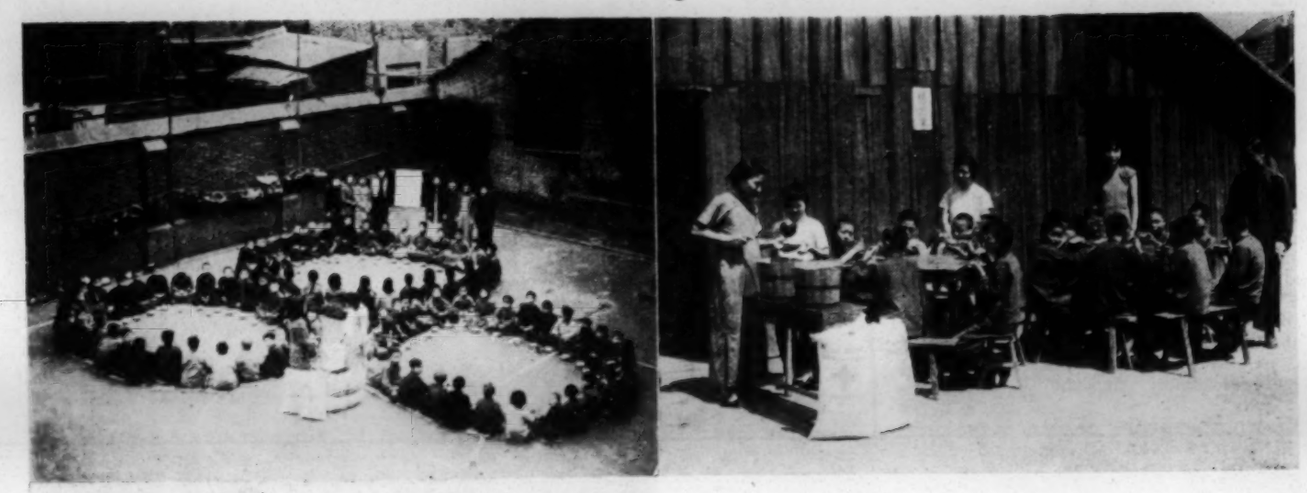
French to Get Rice

Further blow to local rice profiteers came from the French Municipal Council. French Concession authorities are

Red Cross Wheat and Rice Bring Joy to Shanghai Tots

Dozens of orphans in the Chinese Christian Orphanage and Free School of Shanghai enjoy their first full meal in many days from a consignment of cracked wheat and rice donated by the American Red Cross. Many of them also found the bags useful as indicated in the pictures. The picture in the lower left corner shows the children making good use of another Red Cross product—cod liver oil. In the lower right corner is a picture of the Rev. C. H. Smith and the Rev. T. F. Tsui of the American Presbyterian Mission, who also express their appreciation for a consignment of Red Cross wheat and rice. Thousands of bags have been given to war refugees in recent weeks in practically all parts of the country. The rice and wheat were donated by the American people and shipped to Shanghai entirely without charge.

Red Cross Relief For Shanghai Destitute Children



The pictures at the top were taken at meal-time when the Children at Moore Memorial Church, Shanghai were enjoying a meal of cracked wheat and rice, donated by the American Red Cross. The picture at the bottom shows another group of children at Moore Memorial Church, each holding a Christmas package sent to China by the children of America, through the American Red Cross.

making plans to monopolize French Indo-China rice for the benefit of the consuming public. Large quantities of the cereal are to be imported by the Concession, which will then exercise price control over the shipments to prevent such detrimental speculation as has taken place in the past few months.

Panic on the part of rice hoarders, caused by the new "controlled import" plan, nose-dived prices from $154 to $138 in two days. Dealers are reported to be attempting to dispose of nearly 1,600,000 bags of the grain at the new price. This was proving difficult, however, because numerous Chinese, following Chinese press advice to residents to wait for supplies which are being imported by the local authorities, are unwilling to purchase rice apart from actual requirements.

Hongkong Rice Monopoly

Linked with the new regulations in Shanghai is the recently adoped rice control advanced by the Hongkong Government for that city. The Government there will assume a monopoly of all rice imports and exports on June 1. This measure is a step taken in view of the excessively high prices arising from speculation, uncertainty regarding future supplies, and the increasing scarcity of shipping facilities.

In other parts of China the rice situation is critical but steadily improving.

Chungking auhorities have announced that the arrival of rice into the city is now in excess of its consumption. Nevertheless, rice rationing as a measure for the control of consumption has been deemed advisable by the Economic Council of the Executive Yuan. Officials hoped that increased supplies and rationing would lower the price from its present $320 per 78 kilo zah.

Meanwhile, a set of measures prohibiting the hoarding of foodstuffs in Kwangtung was announced by the provincial Government this week. Each household is permitted to stock only enough food to meet its needs up to the month of July, when the new rice crop is expected to reach the market. Stocks in excess of this limit must be registered with the provincial governmen and sold to the public.

North China Officials Purchase Fapi

According to Japanese reports, North China authorities have decided to purchase the notes issued by the Bank of China, the Bank of Communications, the Central Bank of China, the Farmers' Bank, the Hopei Provincial Bank at the official rate of four Federal Reserve Bank notes to one fapi.

After two months, according to the same report, fapi will not be allowed to be circulated in the market in the regions under the control of the North China Political Council. In regions of North China which the influence of the North China Political Council cannot reach fapi will be circulated as usual but in nowhere will the fapi be used for the payment of taxes, these reports said.

The Tairiku Shimpo, Japanese Army organ, reported recently that when the Bank of China office on Bubbling Well Road (the former Ta Kung Hospital) re-opened for business on April 28, its signboard was changed from that of the "Shanghai Branch of the Bank of China" into that of "Shanghai Bank of China."

The Japanese paper declared that this indicates that when the Bank of China re-opened for business, it reached a compromise with certain circles and the bank is trying to detach itself from Chungking and will have the Shanghai branch of the Bank of China as the head office of the bank.

The paper declared further that the Bank of China and the Bank of Communications were originally commercial banks and they were taken over by the National Government and reorganized into government banks. The paper said further that in the future, the notes of the Central Reserve Bank of Nanking will be circulated in Shanghai as the legal tender, which are to be supplemented by the notes of the Bank of China and the Bank of Communications. The notes issued by the Central Bank of China and the Farmers' Bank, according to the Japanese paper will remain the official notes of Chungking and will be driven out from the Shanghai market.

Paper Reports Formation Of Chinese Nazi Party

The **North-China Daily News** reported this week in a special article from Peiping that a Chinese Nazi Party, backed by bankers and industrialists, was flourishing in that city.

The Party, the NCDN reported, was formed about 10 years ago by a group of scholars who were disgruntled because their valuable accomplishments and services had been overlooked by Generalissimo Chiang Kai-shek.

Japanese Paper Predicts Sino-British Pact

The Tokyo newspaper Yomiuri Shimbun predicted this week in a story from Shanghai that Sir Archibald Clark Kerr, British Ambassador to China, soon would sign a Sino-British military pact with Chungking authorities.

Alaska to Be Fortified Against Japanese Invasion; New Northern Airplane Routes Envisaged

Alaska, long neglected route via which historic Asiatic hoards entered the Americas in past ages, will by this summer be sufficiently fortified to prevent imperialist Japan from attempting a twentieth century version of that invasion. Furthermore, this peninsular and island outpost juts so far westward into the "Japanese quadrant" of the Pacific and is being converted into such a powerful air and naval base, that it will soon prevent Matsuoka's war cabinet from sending a full war strength fleet southward against the Dutch East Indies or other Equatorial prizes for fear of American action against Japan proper.

makes what was once called "Seward's folly" one of the most strategic regions in the world.

Mighty Defenses

When the European war broke out, Alaska's "home defense" was represented by only 300 infantrymen barracked a thousand miles from any probable point of attack, a half dozen coast guard cutters, too few in numbers to prevent Japanese "floating canneries" from poaching Alaskan salmon, and one antique Russian cannon being used as a flower pot.

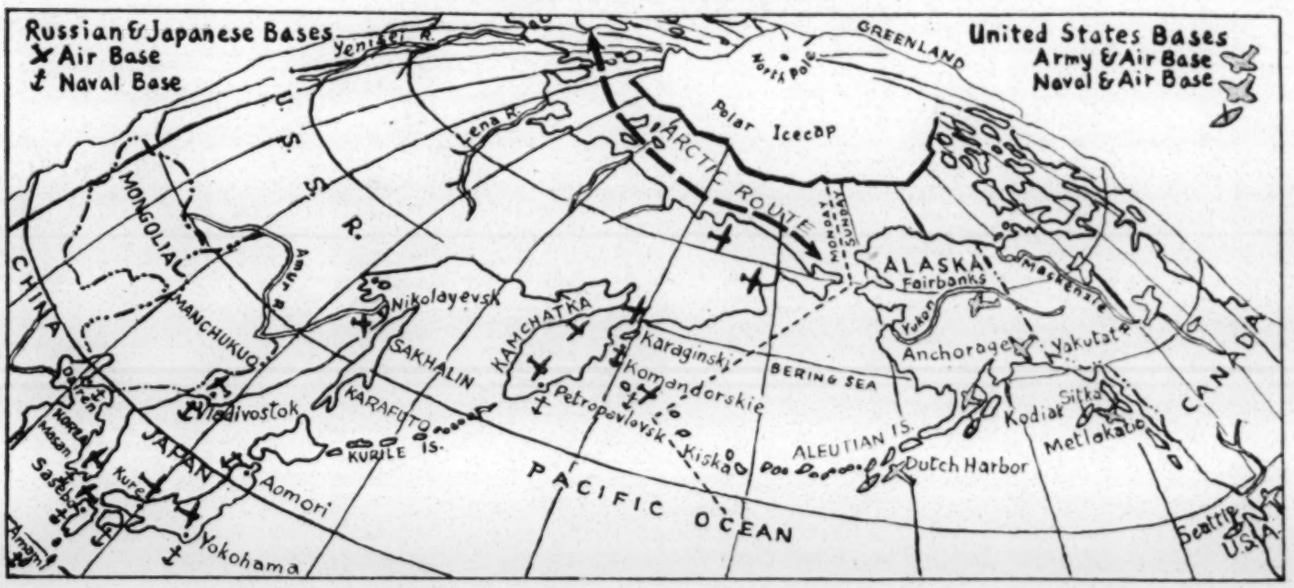
Jarred into the realization that an enemy using parachute troops and blitz tactics could easily conquer an

will serve as a link between the United States and the main Army base at Anchorage; on the supplementary Army air bases at Yakutat, the Gulf of Alaska, and Metlaktla Island south of Ketchikan; and on a Navy "listening post" at Kiska Island, far out in the Aleutians.

Emergency Fields

The Civil Aeronautics Administration, moreover, has laid out a string of emergency landing fields from one end of the country to the other, installed a system of directional radio beams from Nome to Ketchikan, and trained scores of civilian pilots to fly in the peculiar weather conditions of

Strategy of The North Pacific



Newsweek Map

The strategic significance, and at the same time the vulnerability, of this largest of United States territories, which embraces an area of 590,884 square miles more than the size of Germany, France, England and Italy combined—and is peopled by but 60,000 all-year residents, one-half of whom are Eskimoes, was until recently unappreciated. At one point it lies but 660 foggy miles across the Arctic seas from the Nipponese naval base of Paramushiro and each winter 54 miles of solid ice pack connects it to the eastern extremity of Soviet Siberia. The shortest and most practical air and naval route from the United States to Yokohama runs just south of Alaska's Aleutian Islands. The distance from the United States to Yokohoma by this route is about 4,900 miles, as compared to 6,500 miles via Honolulu and Midway Island. Furthermore, an airplane flight can be made by way of this northern course in easy stages with no single "hop" longer than 900 miles, whereas the course via Pearl Harbor involves an initial "leg" of some 2,400 miles of open sea. This, plus the fact that Alaska is but three hour's bombing time from Seattle, Washington,

advance invasion base along the territory's 26,000 miles of coastline, Congress recently appropriated $75,000,000—ten times the original purchase price of the territory 74 years ago—to fit Alaska into the defense triangle of Panama-Hawaii-Alaska. Again this spring, Congress remembered the "back door" to America and is preparing to spend an additional $50,000,000 to strengten the peninsula's defenses.

Use for these appropriations has been found in fortifying five major strategic spots.

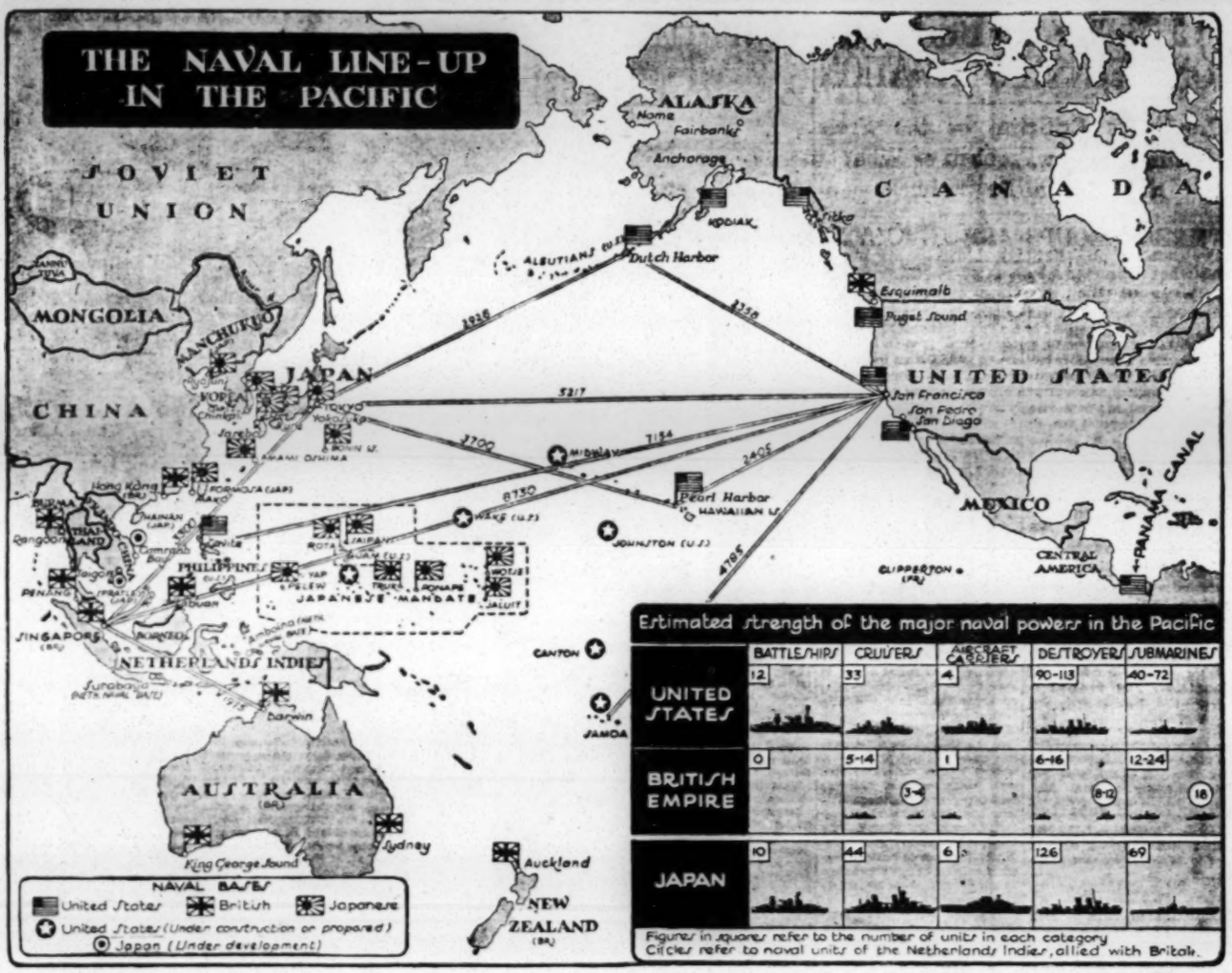
More than over 5,000 civilians and 4,000 Army recruits are busy constructing a $24,000,000 army base and headquarters at Fort Richardson, near Anchorage, a $21,000,000 naval base at Women's Bay, Kodiak Island, with facilities for one submarine division and three bomber squadrons; a $13,000,000 submarine base at Dutch Harbor, Unalaska; a $10,000,000 naval and air base on Japonski Island near Sitka; and a $4,000,000 army air base and training station at Ladd Field, near Fairbanks.

In addition, construction has recently started on an air base at Annetee Island, near Kitchikan, which

the North. Weather stations have also been set up in the Aleutian Islands and Congress is considering a proposal for joint American and Canadian construction of a $25,000,000 highway from Seattle to Fairbanks to hasten delivery of supplies and link by land the United States to its northern "icebox".

Canada is likewise cooperating in the defense of the northern Pacific coast by dotting both sides of the Rocky Mountains from Vancouver to the Yukon with fully-equipped modern airports at 200-mile intervals.

The importance of Alaska as a base for offensive as well as defensive action looms ever greater with the growing possibility of a Pacific war. Attu, farthest west of the Aleutians, where American air and naval forces could be stationed in wartime, is but 2,000 miles away from Tokyo and Yokohoma. This threat to Japan proper from the north-east would prevent any strong naval action against the Philippines or the South Seas region. At the same time, American ships plying the southern route below Samoa and Japanese mandated islands could steam safely



New York Times

into Manila with supplies and ammunitions.

Easy Bombing Range

Furthermore, modern American bombers would find no difficutly in flying the 3,900 miles from Attu to Manila, which passes directly over Yokohoma and Tokyo, Japan's industrial and political centers. Planes could load bombs at Attu, drop them up and own the land of the Rising Sun, and fly on to Manila for a reload. The entire Japanese archipalego, Korea, and puppet Manchukuo, as well as Eastern Siberia, would be within a radius of 2,000 mikes from Attu, comparatively easy bombing range. Although Japanese planes could fly the same route, their forces would be divided and they would be attacking well fortified bases—not vital and vulnerable factories and industries.

Alaska's intrinsic importance is not far inferior to its strategic value. Development of gold mining, fisheries, and the fur trade, has yielded a greater monetary return to the United States yearly than the original purchase price. Deposits of at least six of the "fourteen strategic materials" listed by the War Board as being "essential to national defense" and which must be obtained outside the United States, are available in Alaska. These include antimony, chromium, manganese, nickel, tin, and tungsten. Oil fields can conceivably produce enough fuel to supply the region's demand and projects similar to the now successful Matanuska Valley Agricultural Settlement can in time make the territory self sufficient in foodstuffs.

Kidnappers Release Wealthy Compradore

Pan Tse-chuen, compradore of the firm of Jardine, Matheson and Company, leading Shanghai British firm, who was kidnapped about four months ago was released Saturday, May 3. It was said that his family and business connections raised a large ransom for his release. The amount paid was not announced but according to police authorities he was held for $8,000,000 which is equivalent to approximately US$400,000. Mr. Pan who succeeded his father as comprador of the well-known British firm, was one of the best known Chinese business men in Shanghai. His abduction by gangsters connected with the Nanking Government created a sensation here. He was seized early one morning by three men as he was leaving his home in the French Concession. He was said to have been held at various places, the latest being Quinsan, a small town on the Shanghai-Nanking railroad a few miles from Shanghai. According to reports in Chinese newspapers, Mr. Pan departed for Hongkong a few hours following his release.

Russian Scientists Explore Arctic Ocean

The Arctic Ocean is "not so deep," in the opinion of members of a Soviet expedition which has been making soundings in the vicinity of Wrangel Island, located to the northwest of Bering Sea, according to a dispatch by the official **Tass** news agency. The report stated that Soviet scientists had been making flights about the Arctic in the vicinity of Wrangel Island. The mission, headed by T. Cherevich, also reported that the water was much warmer than expected due to the penetration of warmer water from the Atlantic. The exploration was made in connection with the "Stalin Plan for the Arctic," presumably concerned with the exploration of a new water route between European and Asiatic Russia.

German Experts Training Japanese

The Shanghai Chinese daily newspaper **Chien Yien Pao** claimed this week from "reliable German sources" that a number of German "Gestapo" officials and parachutist instructors have recently arrived in Shanghai. Actual parachute jumping is said to have taken place near the city. This report has been denied by the German Consul General in Shanghai, but observers claim to have seen actual landing of Japanese parachutists trained by the German instructors.

Japanese Forces Withdraw from Chekiang Points; 63 Planes Bomb Chinese Capital

While Japanese landing forces were retreating from Wenchow and Haimen along the Chekiang coast, Japanese air units last week staged a violent air offensive against Chungking. Sixty-three Japanese planes rained more than 200 bombs on the city May 3, aiming at what **Domei** described as military objectives at the war-time capital.

The western suburbs were most heavily raided. Throughout the city five persons were killed and 11 injured, while 50 houses were demolished; six fires were started, but they were quickly brought under control, according to **Reuters.**

Among buildings damaged was the Press Hostel, half of which housing the Board of Trustees of the Sino-British Boxer Indemnity Fund. At least 40 bombs fell within a radius of 200 yards of the Press Hostel. One of the fires started by bombs was reported to have been close to a house in which Capt. James Roosevelt, U.S.M.C., eldest son of the American President, had stayed prior to his departure from Chungking earlier on the morning of May 3. Captain Roosevelt left at 10.10 a.m., while the air raid alarm was sounded at 11 a.m. and ended at 2 p.m. All the Japanese planes were operated from the Hankow base.

Anniversary Raid

Two years ago on May 3 Chungking, not fully prepared and with only a few dugouts, was turned into a city of ruins by fleets of Japanese bombers. About 5,000 persons were killed in that raid, which left innumerable scars on the much-bombed city.

A group of more than 20 Japanese airplanes severely raided Kunming, provincial capital of Yunnan, on April 29, the birthday of the Japanese Emperor. More than 100 bombs were dropped indiscriminately on the center of the city, destroying several hundred houses, **Kuomin** reported. The China Inland Mission buildings were demolished and the British Consulate building damaged, the report said.

On the same day, Kiyang in southern Hunan was also bombed by another fleet consisting of 27 Japanese airplanes. Most of the bombs were reported to have been dropped from a high altitude and to have fallen in open spaces, without causing much damage. Areas around Anking, provincial capital of Anhwei, also were the hot spots of Japanese air attacks throughout the week, while the Kinhua and Chunki sectors in Chekiang were also subjected to repeated Japanese air bombings. Chinese troops claimed to have shot down a Japanese airplane which had machine-gunned Chinese troops in the Chuki sector.

Japanese "Withdrawal"

The land activities of the week were dominated by the Japanese "withdrawal" on May 3 from Wenchow and Haimen "after completion of operations," according to **Domei** reports. The Chinese, on the other hand, claimed to have recaptured the two important coastal ports after a successful counter-offensive on May 2.

Gun and Book

Chinese students' duty toward their country is embodied both in the gun and in books, according to the Chinese student who drew this cartoon, illustrative of a patriotic Chinese youth.

The Chinese, it was claimed, advanced in two columns under cover of an artillery bombardment and entered the west gate of Wenchow at 11 a.m. on May 2. Chinese forces attacking Haimen were said to have entered the town at dawn on May 3. The Chinese forces which recapured Wenchow were reported to have further pursued their advance southwestward and reoccupied Juian at 2 p.m. on May 3. In the battle in the Wenchow area the Chinese forces claimed to have killed more than 1,000 Japanese and seized a large quantity of arms and ammunitions.

In the Chuki sector in eastern Chekiang the Japanese troops, aided by strong reinforcements, were reported to have stormed the Chinese positions at Paitowchen and Anhwa from Waicheng, south of Chuki, on April 26. Offering stout resistance, the Chinese repulsed the Japanese assault at Anhwa and engaged the Japanese in fierce fighting north of Paitowchen, according to **Kuomin.** Further Chinese progress in that sector was later reported by **Kuomin,** which said one Chinese column advanced as far as Shihlipai, three miles east of Chuki. A Japanese attack on Shangyu from Yuyao in eastern Chekiang was also successfully repulsed by the Chinese another **Kuomin** report stated.

Shanghai Affected

The renewed military operations in Chekiang, according the April 24 **North-China Daily News,** are begining to affect the economic life of Shanghai tremendously. Those in Shanghai who suffer most from the Chekiang war probably are cotton merchants whose trade with Chekiang has been a main item of their business, the NCDN said. Under existing conditions, cotton and cotton goods can no longer be sent to Chekiang and cargo transportation between Shanghai and China's south-west, with east Chekiang as the pivot, has been made impossible at least temporarily. Foreigners remaining in Ningpo when the Japanese forces occupied that town on April 24 numbered 54, including 12 Britons and 11 Americans, according to **Havas** report from Peking, quoting **Shih Pao.**

Another Japanese landing-and-withdrawal campaign was staged by the Japanese landing units in the Kiatze area in south-eastern Kwangtung. Aided by powerful naval units, Japanese landing forces claimed to have captured the walled town of Kiatzusu und Wangli shortly after their landing at dawn on May 1, according to **Domei,** On May 4, another **Domei** report said, the Japanese units "withdrew from that area to carry on operations in other sections."

North China was once again in the news last week as severe fighting broke out in the trangular area in south-western Shansi, acccording to **Kuomin.** A Japanese detachment from Yusiang and Tsinghwachen attacked the Chinese positions at Wangkwantsun, Fengpoyu and Miaorehyu. The Japanese were reported to have been thrown back after fierce fighting. The Chungking miiltary spokesman, quoted by **Havas,** said that the frequent movements of Japanese troops in southern Shansi and southern Hupeh may result in renewed battles in those regions shortly.

Young Writes Book on Japan

James R. Young, well-known correspondent for **International News Service,** who was confined in jail for questioning by Tokyo Police for several weeks, is the author of a new book entitled, "Behind The Rising Sun." His book is a description of what he calls the era of violence in Japan, an era characterized by hoodlums, Black Dragon clansmen, and irresponsible gendarmes who now rule Japan and are attempting to bluff the World. Mr. Young has been lecturing since his return to the U.S. In a recent statement he said that audiences in 14 cities where he talked wanted action on the continued export of war materials to Japan under State Department permits. He said Japan could never achieve a clear cut victory in China and said that the Japanese war lords are attempting to use their position in China and Indo-China for an advance into the Pacific similiar to the German use of the Low Countries for an attack on Britain.

Indo-China Moves Step Nearer Complete Japanese Domination as Economic Treaties Are Signed

The rich French colony of Indo-China was one step nearer complete domination by Japan following the signing of the Japan-French Indo-China economic treaties this past week.

Agreement was tardily reached on May 6 on economic questions brought up through Japan's mediation of the recent Thailand-French Indo-China conflict. The treaties, involving navigation rights, customs tariff, and a method of trade payment, were signed in ceremony by Japanese Foreign Minister Yosuke Matsuoka and Ambassador Ha-

Master Painter

Orr in Glasgow Record

jime Matsumiya for Japan, and Ambassador Charles Arsene-Henry and Governor Rene Robin for France. The signing was performed in Tokyo, where the negotiations were conducted, and only ratification by the government of the two nations remains to put the treaties ino effect.

Indo-China in Yen Bloc

According to terms released by the Japanese Information Board, French Indo-China will come within the "Yen Bloc," will suffer exploitation by Japanese capital, and will be forced to accept a certain quantity of inferior Japanese textiles and other manufactured articles. In return for this "privilege" of entry into Japan's "East Asia Sphere," French Indo-China must provide Japan with rice, maize, coal, minerals and other principal products which could find more profitable markets elsewhere.

Stiffening of the Anglo-American attitude in the South Pacific, however, prevented as complete an economic domination of the former Chinese colony as greedy Japanese imperialists and business men desired. Furthermore, recent restless military activity in Indo-China has made Nipponese diplomats fearful that their latest conquest may soon break its yoke of bondage.

Primary provisions of the treaties made at the economic convention read as follows:

"The convention for the establishment of navigation rights provides for the reciprocal treatment of nationals and vessels of the two parties.

"It stipulates that Japan and French Indo-China will reciprocally accord national treatment as the occasion demands concerning the entry, esablishment, acquisition and possession of movable and immovable property, exchange of commerce, the manufacturing industry, and the imposition of taxes of various kinds.

Equal Footing for Vessels

"Concerning vessels of the two countries, it also provdes that they be treated in the principle of equal footing."

The agreement concerning customs tariff and the method of trade payment is a voluminous one consisting of 30 articles and annexed documents, and contains the following provisions:

"Regarding customs tariff, the two parties agree to accord mutually the most favored national treatment. Besides, French Indo-China agrees to afford the advantage of exemption of customs tariff or the reduction of the existing minimum customs tariff to the principal products of Japan, and to levy a minimum tariff on all other Japanese products.

(Continued on Page 329)

It's New... It's Unique...

MAGAZINE CINÉ-KODAK EIGHT

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●

TELEGRAPHIC ADDRESS:

5665 CHUNGKING

Closer Sino-American Relations Anticipated; Military Mission to Chungking

Closer Sino-American cooperation was expected in Chungking last week as a result of the latest international developments, according to a **Reuters** report from that city. The recent signature of Sino-American financial accord, the visit paid by Capt. James Roosevelt, U.S.M.C., eldest son of the American President, and the U. S. military mission to China's war-time capital were cited by most political observers as but some of the evidences for such anticipation.

The departure of Captain James Roosevelt from Chungking on May 6 was followed immediately by the arrival of two American Army Air experts, Brigadier-General Ross Rowell and Captain Edward Dyer, both of the U. S. Army Air Corps. Although the purpose of their mission was not officially revealed, a **Domei** report from New York said that the mission is expected to study the military situation with special emphasis on aviation. It was stated, continued **Domei** that arrangements will be made to give the mission the fullest facilities. The mission according to **Domei**, was regarded as further evidence of growing Sino-American intimacy, and the importance being attached by Washington to China situation.

Supplies for China

The pending intensification of American aid to China was also vividly testified by the recent official disclosure in Chungking of a complete list of supplies which the United States is sending to China under the aid program. The list was officially declared to have been already received in Chungking.

Speaking before the Chungking Municipal Council on May 1, Dr. H. H. Kung, the Finance Minister and Vice-President of the Executive Yuan, outland America's aid to China, particularly concerning communications in southwest China. Dr. Quo Tai-chi, China's new Foreign Minister, meanwhile, asked the United States for bombing and combat planes, guns and raw materials to help China fight Japan in his May 3 nation-wide broadcast from Washington.

In effort to halt American and British aid to China, the Japanese were spreading propaganda that China was not a Democracy, according to an article by Dr. Sun Fo, President of the Legislative Yuan, quoted by the **United Press**. In his article, Dr. Sun flatly refuted the Japanese allegation by pointing out that all of China's principles were based on Democracy and followed the program outlined by Dr. Sun Yat-sen in 1911. Commenting on the present world war, Dr. Sun further predicted a decisive victory for China, Britain and the United States.

Madame Emphasizes "Democracy"

The word "Democracy" was also emphasized by Madame Chiang Kai-shek in a broadcast relayed by the British Broadcasting Company on April 27. Madame Chiang gave prominence to the fact that the British were fighting, as were the Chinese, for Democratic principles, and believing that Democratic principles will win in the present world turmoil. In her speech, Madame Chiang voiced the heartfelt sympathy of the Chinese people for the sufferings of the British people caused by the European War. She also expressed admiration for the heroic stand of the British for the defense of Democracy.

Japan apparently was seeking to grab the whole of Fukien and place it under the nominal control of the Nanking Government. Fukien has long remained one of the most complex political units in the China political arena. It is likely that the Japanese will utilize all available opportunities to disseminate rumors regarding Fukien's defection from the National Government in Chungking.

The Japanese since landing on the Fukien soil have shouted "Fukien for Fukienese," according to **Domei**. "With the advance of the Japanese force to Foochow," according to a Japanese army spokesman in the Fukien area, "pro-Japanese and friendly sentiments have come to prevail in the area and it is a matter of congratulation that far-sighted people in Fukien province are already boosting "Fukien for the Fukinese! People in Foochow," continued the spokesman, "have clearly understood the real intentions of the Japanese forces when the later entered this city and have shown absolute confidence.... in them.

"Deep Bonds"

"This attitude on the part of the Chinese people," the spokesman said," is due to the deep historical and racial bonds which have continued to exist between Japan and this part of China." Generalissimo Chiang Kai-shek's sending of his Central Army to Fukien province

at the outbreak of Sino-Japanese hostilities was described as an attempt to "deprive the Fukienese of their chance to approach Japan." The slogan "Fukien for the Fukienese," recalls the slogan "Korea for the Korean" used when large detachments of the Japanese Imperial Army were sent to Korea to preserve the latter's "full independence" in 1910.

Inauguration ceremonies of the Foochow peace Maintenance Association, reported **Domei**, were held in that city on May 1 at the offices of the Provincial Government, attended by Chinese and Japanese representatives. Mean while, General Siao Shuh-suan, Nanking's Acting Director of General Military Training, was reported to have been appointed by the Japanese-controlled Nanking Government as Governor of Fukien province.

Ningpo Declares Autonomy

Ningpo, the most important and prosperous east Chekiang district just taken by the Japanese, also declared its autonomy, according to the **Sin Shun Pao**, Japanese army organ in Shanghai. It was said that the "Preparatory Office of the Ningpo Autonomy Committee" had been established in the district, occupyjng the former site of the Air Attack Rescue Corps' Headquarters. Liu Cheng-ta, former chairman of the Ningpo Chamber of Commerce, and Kuo Yi-ming, a "philosopher," were reported to have participated in the peace movement.

The Japanese Ambassador to Nanking Kumataro Honda, was reported by **Domei** to have left last week for Tokyo, where he is expected to stay a month. During his stay there, continued the report, he will hold important consultations on various questions with the Tokyo Government. Tokyo observers believe, however, that Mr. Honda's return to Tokyo "might bring about new developments in relations between Japan and the Nanking Government," according to a Japanese report quoted by **Reuters.**

The month of May is known to be the month of "incidents and anniversaries." "Among the important Chinese anniversaries in May are the third, fourth, fifth, seventh, ninth and thirteenth. May 3 is the anniversary of the Tsinan Incident; May 4 is the anniversary of student movement; May 5 is the anniversary of the establishment of the Revolutionary Government in Canton; while May 7, 9 and 30 are regarded as national humiliation days, as the former two days were the dates when the Yuan Shi-kai regime accepted the Japanese "Twenty-One Demands," and the latter date was the anniversary of Ku-Ching-hung Incident in Shanghai Settlement areas.

May 1, 3, 4, 5, 7 and 9 were all reported to have been duly observed in Chungking. Because of the changing circumstances, Shanghai failed to witness any of the elaborate observaions of these anniversaries. In Chungking, a mass meeting was held on May 5. Mr. Yu Yu-jen, President of the Control Yuan, in an address recalled the circumstances under which Dr. Sun Yat-sen, the late Party leader, assumed the post of Extraordinary President of the Republic. The National Government must continue to fulfill the Revolutionary mission bequeathed by the Revolutionary Government, Mr. Yu said, according to a **Kuomin** report from Chungking.

Cooperation

This drawing by a Chinese student in Shanghai demonstrates that China will achieve its greatest success when all forces within the nation are pulling together.

German Leader Lashes Roosevelts

Dr. Robert Ley, leader of the German Labor Front, this week bitterly attacked the entire Roosevelt family in a speech at Berlin. He especially singled out James Roosevelt, whom he said came to China "far from the European battlefield....to show off his Captain's uniform." Dr. Ley attacked the President and Mrs. Roosevelt and declared they were of Jewish origin.

Last week a prominent German writer, Herr Helmut Suendermann, charged that President Roosevelt had only one aim in mind, the smashing of the German Reich to assure big business to Wall Street Jews.

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Anti-Japanese Terrorism Flares in Shanghai; Youth Steals Money to Gamble

Anti-Japanese terrorism flared up again in the "occupied" section of Shanghai this week as a Chinese gunman attempted to assassinate two Japanese sailors.

In a gun battle in the midnight darkness of April 5, a lone Chinese fired several poorly aimed shots at two Japanese Naval Landing Party sentries. The sentries, standing in front of a Japanese noodle factory at the time, escaped injury except for a slight fingertip wound sustained by first class sailor Watanabe.

Following the shooting Japanese forces made a thorough search of the area including all river junks, from where the terrorist was believed to have operated. A Chinese, Mao Lu-piao, seen fleeing away from the scene of the search, was apprehended by sailors, aided by the police, and was asserted to be the terrorist. "Encouraged" by the Japanese authorities, he was even reported to have made a statement concerning the shooting.

Chinese Arsonist Caught

Additional anti-invader activity of the week included an arson attempt on a Japanese military storehouse on Wayside Road. A Chinese, thought to have been operating singly, was seized just as he was attempting to set fire to a wooden section of supply dump.

Japanese and Wang Ching-wei sponsored gambling dens in the Japanese-controlled Western Area of Shanghai have once again supplied the incentive for a major theft.

Kang Sz Hsiong, a young Chinese employed by his brother in the Yak Kyi Cotton Mill, stole $6,428 of his brother's money in order to squander it in a Yu Yuen Road gambling house. The unfortunate victim of the Nanking conditioned vice had been sent to the China and South Sea Bank to collect his brother's dividends and to withdraw some shares from the bank. This was done and the youth, returning with the cash and shares, entered the gambling den where he soon lost it all.

Afrain to tell his brother the truth, he at first told police he had been robbed in Kiangwan. However, after a grilling he confessed.

"Go Slow" in Badlands

The ineffectiveness of the newly created West Shanghai Special Police Force is due in part to a "go-slow" strike, according to information appearing in many Shanghai Chinese newspapers.

The papers maintain that policemen are refusing to undertake a vigorous policy of law enforcement until their demands for improved treatment are met.

The Special Police Headquarters has since denied this accusation but admits that employes are dissatisfied with the present setup. The question of improving the terms and conditions of service for those policemen recruited from the city government is now under consideration, the headquarters asserted.

Arrest Chungking Terrorists

A wholesale arrest of Chungking terrorists in Hongkew this past week was reported by **Domei.**

According to the report, the Japanese Special Naval Landing Party and the Japanese Gendarmerie located and arrested large numbers of the Chinese agents. The search for enemy patriots was made necessary by the increased success of their attacks. Hongew has been penetrated so thoroughly by them that Japanese soldiers and sailors seldom dare to move about in the area except in parties of two or more. Sentries on duty have even become fearful of the terrorists following recent successful attacks.

Japanese authorities state that these terrorists have entered the district by disguising themselves as common people. Beggar's rags, the clerk's own and the vendor's garments have frequently been found to conceal anti-Japanese pro-Chungking agents.

New Axis Dictionary

(San Francisco Chronicle)

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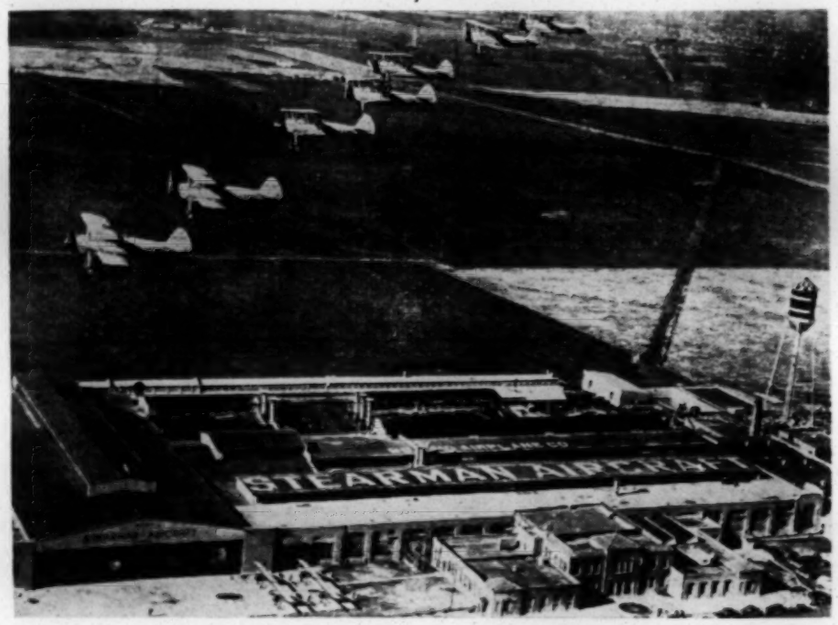
U.S. Drawing Near to Actual War; Use of Convoys Soon Predicted

The United States drew nearer to open warfare against Germany this week as Secretary of War, Colonel Stimson, advocated American convoys to London in a Roosevelt sanctioned speech.

"Primary Trainers"



This is the first plane the student uses when he learns to fly. The Stearman Division of Boeing Airplane Company, located at Wichita-Kansas, has started delivery on an order of 3,000 of these primary trainers for the U. S. Army. The eight shown in the picture have just been completed and tested and are on their way to an Army training field for service.

Col. Henry L. Stimson, according to United Press reports, made one of the strongest pro-war speeches of the past 20 years of American history. He warned Germany that the United States would not "flinch" and permit these munitions to be sunk in the Atlantic.

"We have taken our place definitely behind the warring Democracies and against aggressors in defense of our freedom," Col. Stimson said. "If today that (United States) Navy should make secure the seas for delivery of our munitions to Britain, it will render as great a service to our country and to the preservation of American freedom as has ever been rendered in all its glorious history."

Convoys Foreseen Soon

With administration backing for the convoying of England-bound ships, there can be little doubt that convoys will immediately be used to send war materials to the British Isles. Since Germany has promised to sink such convoys, this probably will lead to outright warfare.

Meanwhile, in behind-the-line undeclared warfare, the production of planes for Britain, gained more significance this past week with the announcement that the total production of planes in the United States, including military and civil machines, reached the record figure of 1,493 in April this year. This figure is an increase of 287 over the previous month. It foreshadows even further increased production since many airplane factories are still in the process of building and many automobile assembly lines are still being converted into use for making planes.

The military phase of the war came to a virtual standstill by the week's end except for fighting raging between British and Iraqi forces in Iraq.

While Hitler is resting his armies for further aggressions, British forces must fight on against Arabic uprisings in Iraq and other parts of the Near East.

Warfare in Iraqu has so far largely been a matter of rival artillery duels and bombings. British forces have pushed against Baghdad and other major cities while Iraqi troops have concentrated in shelling the British post and airdrome Habbaniyah. Both sides claim to have inflicted considerable damage on the enemy.

Disputes Reports

Furthermore, dispute exists between British and native claims concerning the important Mosul oil fields and pipe lines. The Iraqi reports maintain that the pipelines have been cut and oil fields occupied.

Whether Germany will come to the aid of Iraq is a question of grave concern to Allied supporters. Should Hitler decide that the Mosul oil fields are worth fighting for at this time, he would be faced with the choice of going "Berlin to Baghdad" through Turkey, over Turkey by air, or through Southern Russia. A decision to follow either of these courses could very conceivably involve Turkey and even Russia in the conflict.

Reports from recently conquered Greece indicate that Germany is attempting to set up a local government that will help carry on the war against the Allies. In likewise recently fallen Yugoslavia, Italy has sliced off the non-Italian province of Slovine and expects to annex additional areas of that nation.

From Africa, Cairo reports say that Empire troops are still holding out in the Libyan, city of Tobruk despite desperate Italian attacks on the city. They further say additional areas of Ethiopia have fallen into British hands and that the "Lion of Judah" has been restored to ancient capital of Addis Abbaba.

Encouragement for Allied forces comes from the announcement from the South African Government that South African troops will be permitted to fight in the impending Battle for Suez. This means that as soon as the rainy season sets in Ethiopia, these crack soldiers will be taken from that colony to reinforce other colonial troops in Egypt.

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War Makes China's "South of the Clouds" Province Vital Unit in Resistance, Reconstruction

BY WILLIAM CHANG

The land "South of the Clouds" is not a resort center or a vacation ground in China. It is the name given to a province because of its distance and height in relation to the rest of the country. This province is Yunnan situated at an altitude of an average of 5,000 feet above the sea level. It is so called because of its being continually covered with clouds and fogs that the air breathed by the inhabitants, except in the plains, is misty and fog.

Until three years ago travelers to western Yunnan province from other parts of China had to take a roundabout way through India and Burma as no shorter route was available. The completion of the trans-national highway, which links up the once forgotten province of China with the China Proper, followed by the construction of the much-publicized Yunnan-Burma highway, which extends interior China's "back door" direct to Rangoon in the Indian Ocean, have been largely responsible for enhancing Yunnan's importance. Yunnan is regarded as the cradle of the Chinese Revolution and a chief center of reconstruction of wartime China today. The recent assurance of the British assistance to the Chinese Government in the construction of the much-delayed Yunnan-Burma railway further increases the importance of Yunnan in the light of the growing tense international situaion.

Following the suspension of traffic on the Indo-China railway, Yunnan's present communications importance mainly lies in the highway to Burma. While the Japanese bombers are hammering at the road from their newly-acquired airfields in that French territory, the Chinese are rushing emergency repair work at no great loss of time to the traffic. Preparedness and mutual protection have inspired both the Chinese and the British authorities to build extra lines on the Burma border of the highway should traffic on this main road be disrupted. Efforts are being made to utilize as much as possible the service of the Irrawaddy river and to take over the control of certain sections of the highway from the hands of local swabas, chieftains of the tribal groups, to the Chinese Government.

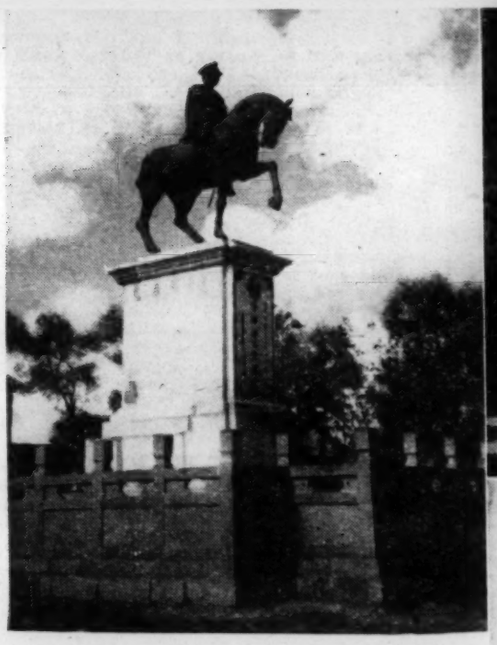
Burma Road Important

The Yunnan-Burma highway, a monument of new faith and undying courage, as a high Chinese government official puts it, is not only an international trade route between interior China and foreign countries but also a political barometer which reflects the attitude of the democracies toward the Far East. The opening of the road to free and uninterrupted traffic is a matter of vital concern to China as to friendly nations like Great Britain and the United States, for over his highway goes a great portion of China's commodities, whose exports help China to pay off her loan obligations to foreign countries. Its present capacity is 150,000 tons a year. Like many of the American trans-continental highways, the 715-mile-Burma road is marked by scenic beauty as it climbs dizzy mountains and crosses picturesque rivers. Construction on its western section, begun in August, 1937, was completed in less than ten months. The most difficult problems of construction were those of labor supply and of engineering. Owing to the location in a far corner of China, where the highway traverses largely uninhabited land, population is scarce and food supply scanty. It was not an easy task to get 200,000 laborers responsible for the successful completion of a highway whose engineering problems were almost unequalled in history.

Throughout decades, the Chinese Government and the provincial authorities had pursued a policy of good neighborliness and mutual assistance to the once loyal subordinates of the great Empire. For centuries, Siam, Indo-China (then known to the Chinese as Annam) and part of Burma were parts of the Chinese Empire. It was not until the latter part of the nineteenth century that they were lost to China.

Yunnan possesses natural resources that only the "heavenly-endowed" province of Szechuan can match. Rank-

Yunnan—Scene of Reconstruction And Resistance



Above—the memorial statute for the late General Tang Chi-yao, once Governor of Yunnan Province; upper right—a street scene in Kunming; lower right—the beautiful Kunming Lake, for centuries a source of inspiration to Chinese artists and writers. (Photos by the author.)

ed as the second largest province of the China Proper, it has a territory of 146,718 square miles, or three times the size of the New York state. It has a population of 12,042,157, consisting mostly of hardy and warlike people. The total area under caltivation is 35,836,352 **mou** (a **mou** is 1/6 of an acre), but its uncultivated land amounts to 1,280,801,487 **mou** or 89 per cent of the total acreage.

The principal agricultural products of Yunnan are rice, wheat, corn, kaoling, beans, tea, cotton and sweet potatoes. Through proper governmen encouragement, Yunnan with its virgin soil and warm climate affords good prospects for the plantation of tea, cotton, hemp and mulberry trees. These four products are considered by Governor Lung Yun the most hopeful "cash products" of the province. Of the four, silk receives the foremost attention of the government. The Fu-Tien (Yunnan Provincial) Bank and the three Central Government banks invested $25,000,000 in a new silk village project south of Kunming in 1939 and 1940. The project is a part of a general scheme to revive the silk industry in Free China in order to offset the loss of the two silk-producing provinces on the eastern coast. Recently the provincial government decided to divide the province into four agricultural regions, each of which specializes in developing farm products best suited for its soil and climate. This program, to be carried out over a period of ten years, will enable Yunnan to increase its food production by 2,000,000 piculs annually.

Not Yet on Large Scae

Yunnan's industries are not yet developed to what might be called large-scale. In many ways they are still primitive and backward. Kunming, the provincial capital, has a power supply of only 7,000 kilowatts. The Ministry of Economic Affairs and the provincial government have started several big hydraulic power plants, the completion of which will mean a new era of cheap power supply and industrialization. Most of the industries cluster around Kunming which is the chief market and transient center for commodities of all kinds. The whole Yunnan province has only 5,200 spindles and 60 looms which produce 14,040 bales of cotton yarn and 43,000 bolts of cloth every year. Yunnan and its neighboring countries enjoy a prosperous trade under settled conditions. Yunnan's tea, silk and minerals find a good market in Burma, Siam and India, which in turn sell cotton goods and rice to the province. Yunnan-Burma trade is expected to reach a new high following a trip by an official Burmese Mission to China in the spring of 1941 discussing trade and commercial possibilities between the two governments.

In 1938, Yunnan exported abroad 9,000 tons of tin slabs, mainly to Great Britain. In 1940, its tin expors increased to more than 12,000 tons and they are still rising. It also exports considerable quantities of antimony and tungsten. Gradual nationalization of Yunnan's tin production was foreshadowed by the formation of the Yunnan Tin Corporation and the provincial authorities. Chinese tin, mainly from Kochiu mines and smelters in southern Yunnan, serves as security for the second American loan to China amounting to U.S.$20,000,000. With the suppression of opium, tin remains the main source of provincial income. Last year tin exports net $40,000,000 to the provincial coffer, controlled by Governor Lung Yun's financial adviser, the Illinois-trained Y. T. Miao, known as J. P. Morgan of Yunnan.

Because of its warm, semi-tropical climate and rich soil, Yunnan is the best place in whole China for returning overseas Chinese to live and work. To provide a permanent home for them, the Yunnan provincial authorities have designated the four rich districts of Chehli, Fuhai, Nanchiao and Chenyueh,

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all conveniently located on the Yunnan-Siam-Indo-China border, as an overseas land reclamation colony. The colony will support at least 100,000 settlers and their families. The authorities intend to devote the four districts to the cultivation of cinchona trees, camphor trees, cotton, hemp, tea, tung and coconut trees. To make the southern and southwestern region of Yunnan more inhabitable, there remains one more important problem, besides the development of communications. It is the control of malaria scourge which takes a huge human toll every year.

Malaria Takes Toll

Although the exact number of people of Yunnan who die of malaria every year is not known, some rough idea of its ravages may be had from the mortality figures in the **hsien** of Szemao in the southwestern part of the province where, in 1925, the population numbered 100,000 and now 20,000 are left. Most of the inhabitants have died of malignant malaria and other diseases. Szemao, bordering Indo-China, was a prosperous region in the first quarter of the century. Now it is a vast area of uncultivated land. Ninety per cent of its houses are empty and once busy streets are deserted. Nor is the condition of Ning-er, 40 miles to the north of Szemao, any better. It is said that here when people are stricken with the disease, death occurs within a few hours. Stores and schools have been forced to close. The disease is spreading and the death rate of malaria is much higher than those of all other infectious diseases combined. At present the malaria region covers about 30 districts in the southwestern and southern parts of Yunnan bordering Burma and Indo-China.

Several attempts have been made by the Government to encourage migration to the thinly populated fertile frontier regions in the south from the densely inhabited districts in the northwestern part of the province, but each attempt has failed. The new settlers could not withstand the malignant disease without adequate modern medical protection. On August 1, 1939, an anti-malaria committee was formed in Kunming with the hope of bringing the disease under control without five years. The movement was launched through the joint efforts of the National Health Administration and the provincial health authorities, with the assistance of he League of Nation's Anti-Epidemic Commission, the Rockefeller Foundation in China and the British Boxer Indemnity Fund. Thus far their efforts have been mainly confined to research work and no immediate succor has been brought to the natives.

In the field of reconstruction, Yunnan has been making slow and what may be called initial progress. With a population of almost 90 per cent illiterate and with only few leaders who are modern-trained, the task of building the province is a tremendous one. Backward as it may seem, Yunnan boasts of having the most progressive hydraulic projects in interior China. Hundreds of thousands of **mou** of land, formerly lying waste as a result of floods or droughts, are now utilized as profitable farmlands through more irrigation methods. The West China Land Reclamation Company and other interests are laboring in other places for cultivating more arable land and cheap power. Yunnan has many rivers, the Mekong, the Salween, the Yuan, the Amei, the Gold Sand and the South Pan rivers, some of which have great importance as international waterways.

The most noteworthy progress Yunnan has made in reconstruction is in the development of communications. The Burma road is not the only wartime baby of the province. The 600-mile Kunming-Luchow (in southern Szechuan province) and the 400-mile Kweichow-Yunnan highway, a continuation of the transnational highway from the coast, are other notable examples. One section of the Yunnan-Szechuan railway, known as the Kunming-Ipin railway, has been open for traffic. Construction on the Yunnan-Burma railway is being pushed. Communication authorities predict that within 1942 these two railways, the completion of which link Rangoon direct with Chungking by rail, will be open for traffic because China expects to produce enough iron and steel to provide her railway construction needs before the end of 1941. Construction materials for the railways at present were mainly imported through special arrangements with the Indo-China railway authorities long before the Japanese set foot on this French colony.

Progress in Government

During the past two years, Yunnan has made some progress in local government. All **Hsien** governments have adopted the new district autonomy system according to which all departments work in the same office for the sake of economy and centralization. Also, the introduction of the **pao chia** system has been quite an innovation for Yunnan. There are in all 130 **hsien** in Yunnan, and 129 magistrates have undergone special political training. Of the administrative assistants, 1,104 have been trained. The level of political knowledge, however, is still low, and the achievement in district autonomy in Yunnan, therefore, leaves much to be desired. Twenty-five of the 130 **hsien** have special organizations for the promotion of public health. Work in the prevention and treatment of leprosy in particular has borne good results, and there are many leper hospitals. Considerable research has been conducted on goitre, and a cure is being found for it.

During the past year, 23 **hsien** put up storage of rice, these granaries prevented what might have become a major catastrophe. With the bumper crops this year, the provincial government has ordered all **hsien** to build emergency granaries. The finances of Yunnan have been placed on a sound basis since July, 1940, when a clear demarcation was drawn between the revenues of the Central and the provincial governments. In case of a deficit in the administrative or military expenses of the provincial government, subsidies may be appropriated by the Central Government. The local annual revenues of the Yunnan provincial government, excluding national and land taxes, are estimated at $6,000,000. The land tax and surtax belong to the **hsien** governments. The proceeds from these taxes in the various **hsien** range from several thousands to $110,000. The total revenue from land tax and surtax at present is estimated at $4,370,000 as compared with $600,000 in 1937.

Population Heterogeneous

The population of Yunnan is the most heterogeneous in whole China. This is largely due to the geological constitution and the poor communications which had shut off the people from one another for all these centuries. In Yunnan are found Chinese or Hans and most of the tribal groups in China including the Lolos, Miaotze, Shans, Musus and Lisus. The tribal people are living more or less contented and secluded in isolated kingdoms in the high mountains in the north, west and southwest of Yunnan. They are ruled by local swabas or chieftains who dictate everything within their areas.

From Yunnan came a number of prominent leaders in the war. Most outstanding is, of course, General Lung Yun, governor of the province, defense-commissioner of the Yunnan-Kweichow area, and, above all, director of Generalissimo Chiang Kai-shek's provisional headquarters in Kunming. An expert horseback rider, a crafty statesman, a

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devout supporter of the Generalissimo and a lover of money and power, Lung Yun dictates Yunnan province like a king. He lost one eye during one of his early combats for supremacy and is a lithe-looking, courteous and energetic man. Beginning his career as a boxing instructor soon after his graduation from a military academy, he fought all his way to his present position. He is a man of will and action and possesses such qualities of tenacity and ruthlessness that account much for his success.

Next to the Governor is General Lo Han, Commander of the First Group Army and Commander-in-Chief of Chinese troops on the southern Yunnan-Indo-China front. A stout supporter of the Central Government, General Lo is trusted by both the Generalissimo and Governor Lung. In the political limelight is the grand old Chow Tsung Yo, China's minister of interior, who attains his present position because he is an elderly statesman from Yunnan province. Minister Chow has done much to help cementing the differences and bringing Yunnan under the Central Government in the war. From Tali, Yunnan's "Geneva of the Orient," came General Yang Chieh, graduated from a Japanese military college, specializing in artillery. General Yang was China's Ambassador to Soviet Russia in 1938-1939 and has since retired from the political limelight.

Indo-China-Japan Pact

(Continued from Page 321)

"Also in connection with customs tariff, Japan in turn agrees to accord the privilege of favorable customs tariff to the principal products of Indo-China.

"As regards trade, provisions have been made with a view to increasing trade between the two countries, for the export to Japan of rice, maize, coal, minerals, and other principal products of French Indo-China, and for the export to French Indo-China of textiles, other manufactured articles, and miscellaneous products of Japan.

"With regard to the method of payment, commercial payment between Japan and French Indo-China is based on the principle of compensation, and its settlement is made in yen and piastre directly through the Yokohama Specie Bank, and the Bank of Indo-China, dispensing thereby with exchange of foreign currency.

Special Favor to Japan

"Moreover, French Indo-China agrees to afford special favor with respect to payment for Indo-China rice purchased by Japan. An agreement in views has also been reached with regard to questions of admission of Japanese commercial firms into the Federation of Importers and Exporters in French Indo-China, participation of Japanese capital in agricultural, mining and hydraulic concessions in French Indo-China, the establishment of Japanese schools in French Indo-China, and the institution of periodical economic conferences for the examination of general economic questions between Japan and French Indo-China."

Following signature of the treaty in Tokyo, the conservative vernacular newspaper Asahi warned the nation editorially that, "there are bound to be troubles in the future," therefore "French Indo-China authorities should bear in mind the fact that they stand within the East-Asia sphere and that they should respect Japan's position as the leader of the sphere."

That Japan may soon be facing those "future troubles", if it attempts continued southward aggression appeared evident from the farewell speech of Mr. E. N. van Kleffens, Foreign Minister of the Netherlands Government. Mr. van Kleffens stated in the address that the Netherlands East Indies, Singapore and Australia constitute a single political and military unit against any possible aggression. He added that suggestions for a common defense line from Singapore and the Netherlands East Indies to Australia had been made by Air Chief Marshal Sir Robert Brooke-Popham, Commander-in-Chief of the British Forces in the Far East. The foreign minister further expressed the belief that the United States and Britain would come to the aid of the Netherlands East Indies if the latter was attacked.

An Invitation

"It's an invitation from Hitler—He wants me to visit him at Munich and meet his Aryan friends." Chicago Times.

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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

April 20

Japanese reports claimed that Japanese landing forces on the eastern Chekiang coast had captured successively Ningpo, Haimen and Wenchow, strategic coastal ports. In the course of operations, the Japanese advancing forces, it was further claimed, had also captured Hwangyen, 16 kilometers west of Haimen and the walled city of Chuki. Tsienso, on the other side of the river from Haimen, also was taken by the Japanese. Japanese forces which landed yesterday at Lienkiang and Changlo on the north bank of the Min river were reported apparently to be converging on Foochow, the capital of Fukien province.

Chinese reports claimed that the Chinese were "positively" gaining the upper hand in the fighting in Shaoshing. The Japanese advancing towards the wine district had been beaten back at Chien Ching Yar, it was stated. The highway between Siaoshan and Shaoshing was still in the hands of the Chinese.

The sudden intensification of Japanese military air and naval operations in China in the past few days had aroused much speculation among Chungking Chinese circles. Some observers thought this activity might be the result of the Soviet-Japanese neutrality pact, while others doubted whether Japan contemplated a major offensive against Chungking. The fresh operations in the coastal regions, it was believed, were aimed mainly at closing communications between the interior and coast regions, stated a **Reputers** report from Chungking.

⁂

April 21

The Japanese Army announced its entrance into Foochow, the capital of Fukien province, shortly after the capture of several strategic coastal points along the two banks of the Min River. Japanese forces which landed at Chinhai, it was claimed, captured Tzeki, 17 kilometers north-west of Ningpo in north-eastern Chekiang.

Chinese reports admitted the Japanese capture of several important districts in east Chekiang, including Ningpo, Wenchow, Tachow, Chuki and Kwangyen, but indicated that the Chinese were determined to drive the Japanese out by counter-attacking.

Kochiu, tin producing center in Yunnan province near the Indo-China border, was bombed by six Japanese airplanes. Another six formations of Japanese bombers attacked the vicinity of the Kungko Bridge which spans the Mekong River on the Burma highway.

The London **Times**, in a special article entitled "China Fights On," said that world conception of China have greatly changed as a result of China's four year's war with Japan. "The most tenacious of these," stated **Times**, "was the view that the Chinese were incapable of resisting a mechanized modern army like the Japanese." The paper also praised the Chinese war tactics, which have kept more than 1,000,000 Japanese troops in the field for nearly four years. Generalissimo Chiang Kai-shek was also praised by the paper for his greatness.

⁂

April 22

Japanese forces claimed to have effected two additional landings along thet Chekiang coast. The ports landed were Sungmen, southeast of Haimen, and Chaikiao, east of Ningpo. Other Japanese military dispatches further claimed that the Japanese forces had reduced the stronghold of Yuyao, approximately 40 kilometers northwest of Ningpo. Fenghwa was also brought under the Japanese control, the same dispatch contitnued.

Chinese counter-attack around the Chuki sector successfully resulted in the recovery of several localities along the Chekiang-Kiangsi railway, south of Chuki, during the afternoon, according to the **Central News Agency**. More than 4,000 casualties were inflicted on the Japanese in the course of these operations, the agency added. Among the recaptured localities was Pai Tao Chen, 12 miles south of Chuki, the farthest point reached by the Japanese.

Chungsha was severely battered by the Japanese bombers, whose aimless missiles were reported to have killed and wounded more than 90 persons and damaged more than 60 houses. Showchang in western Chekiang and Lishui, northwest of Wenchow in Chekiang, were also intensively bombed by formations of Japanese airplanes.

The Chinese military spokesman in Chungking said that the Japanese drives in Fukien and Chekiang provinces resembled last month's operations by the Japanese along the southeast Kwangtung coast and were aimed at disturbing the area and the seizure of stores. Meanwhile, an official Chungking release said that Japanese attempts to tighten the blockade of the Chinese coast likely would have little effect on the economic situation in China. The release gave specific prominence to the Burma and Sinkiang highways.

The Tokyo political commentator, Takanobu Murobuse, declared that the disposal of the China war should take precedence over any attempts to advance southward or create a Greater East Asia co-prosperiy sphere.

⁂

April 23

Reuters reported from Washington that an agreement whereby the United States will loan China $50,000,000 to support and stabilize the Chinese currency was expected to be signed this morning at the Treasury.

Yungkang and Kinhua in Chekiang province were bombed by Japanese aircraft. The Chinese claimed to have brought down one of the machines which attacked Kinhua.

⁂

April 24

Colonel Hsieh Ching-yuan, commander of the internationally-known Lone Battalion, was stabbed to death by his four munitions subordinates during the morning gymnastic exercises. Shankwan Chi-piao, second-in-command, wa seriously wounded while trying to frustrate the attack. The murderers were reported to have said that they committed the stabbing because of the alleged "oppressive treatment and bad conduct" meted to the soldiers by the two officers.

Mr. Charles Gordon Pearson, foreign district superintendent of the Salt Ad-

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AND BRANCHES

ministration in Foochow, was reported to have been detained by the Japanese, according to **Reuters**.

***

April 25

The United States and Great Britain signed separate but parallel agreements for the stabilization of Chinese national currency. The first agreement, which provides for the purchase of US$50,000,000 worth of yuan by the U. S. Treasury, was signed by Mr. Henry Morgenthau with two Chinese representatives, Mr. T. V. Soong, head of the Bank of China, and Dr. Lee Kan, official of the Central Bank of China. The second agreement, signed by Sir Frederick Phillips, Under-Secretary of the British Treasury, and Mr. Soong, provided for the British Treasury to furnish £5,000,000 in addition to £5,000,000 allocated in 1939 to prevent fluctuation of the yuan. The U. S. dollar equivalent to these two funds is roughly about US$40,000,000. In addition to the foregoing funds, the Chinese Government Banks will provide US$20,000,000 for collaboration thus bringing the grand total available for the Chinese Stabilization Board's operations to US$110,00,000.

Taichow (Linhai) in eastern Chekiang and Futsing on the southern bank of the Min River in Eastern Fukien were recaptured by the Chinese forces following a series of successful counter-attacks, Chinese reports claimed. Street fighting was reported to be continuing in Foochow as Chinese rearguards offered stout resistance against the Japanese. In the Chuki sector, the Chinese were assailing the Japanese forces east and west of Waicheng and inflicting heavy losses on them, stated another **Kuomin** report.

The Japanese army announced the "successful" completion of their Chekiang campaign.

Meanwhile, the Japanese army spokesman in Shanghai, Col. Akiyama, said that Japan's military activities were to be intensified in all directions following the conclusion of the Japanese-Soviet neutrality pact.

Dr. Quo Tai-chi, newly-appointed Chinese Foreign Minister, told the **United Press** that he expected the Japanese to make their southward thrust "as soon as the opportunity presents itself." Should the Japanese launch their long-awaited southward drive, the **Ta Kung Pao** wrote editorially, it would in no way mean that she must weaken her offensive in China.

***

April 26

Following the recapture of Taichow (Linhai) in eastern Chekiang, Chinese troops continued their drive and reoccupied the city of Hwongyen, reported **Kuomin**. Chinese forces counter-attacking along the Fukien coast, meanwhile claimed to have ousted the Japanese garrison and reoccupied the city of Changlo on the southern bank of the Min River in eastern Fukien.

Chinese military authorities in Chungking said that China's armies, although yet too inadequately equipped to launch any decisive counter-offensive against Japan, are strong enough to prevent Japanese withdrawals.

Mr. John Beasley, member of the Australian House of Representatives and one of the Labor members of the Advisory War Council revealed that the Chinese attacks had prevented he Japanese from attempting to capture Hongkong in February.

Nine heavy Japanese bombers raided the southern suburbs of Kunming at noon, while another formation of 18 planes attacked points on the Burma highway, reported **Reuters** from Kunming. The Japanese aircraft were also reported to be active in areas around Anking, capital of Anhwei province. Chinese bombers, meanwhile, were reported to have appeared over various parts of Chungshan district in southern Kwangtung and have dropped bombs on Sancho Island.

Time bombs exploded in the Towa and Ritz Theatres in the Hongkew area in Shanghai and injured more than 10 Japanese.

The pending visit to Chungking of the American President's eldest son, Captain James Roosevelt, U.S.M.C. was held by Manila informed quarters as largely a good will gesture by Washington to China. Captain James Roosevelt was reported to have arrived in Hongkong from Manila and to be leaving for China's war-time capital within three days.

Who's Who in China

T'ang Teh-chen, journalist; native of Sunwui, Kwangtung; born at Ipoh, Perak, Federated Malay States, Nov. 1, 1908; B.A. in Journalism, Yenching University, Peiping; M.A. in Journalism,

T. C. Tang (Tang Teh-cheng)
湯德臣

University of Missouri, U.S.A.; Nanking correspondent of the **China Press**, Shanghai, 1933; Nanking correspondent of Associated Press of America, 1934-36; Head of the English Department of the **Central News Agency** of China, since 1935; special Hankow correspondent of the **Chicago Tribune**, 1938; sometimes lecturer on journalism at the Central Political Institute; address: **Central News Agency** Chungking.

Well-Known Shanghai Physician Dies

Dr. William O'Hara, well-known physician in Shanghai, died following a long illness Saturday, May 3. Dr. O'Hara was born on January 9, 1879 in Melbourne, Australia. He came to Shanghai about 20 years ago and was well known here as a physician and surgeon. He served with the Australian troops at Gallipoli during the last war and founded the Anzac Society and was member of the Zero Club and other organizations. He is survived by his wife, May O'Hara; a sister, Mrs. Davis, and his mother in Melbourne; and a brother in Hollywood. Funeral services were held at the Church of Christ the King in the French Concession Tuesday, May 6, wit burial at Bubbling Well Cemetery.

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Men and Events

The city of Hankow has been made a municipality similar to Nanking and Shanghai whose mayors have rank of cabinett ministers according to a mandate issued by the Nanking Government May 1.

*

The Tokyo Welfare Ministry announced that a bonus of Y20 would be given for each birth in addition to a grant of Y30 to cover hospital costs. The announcement was made in connection with the ministry's current campaign to encourage larger families.

*

Baron Philippe de Rothchild has been restored to full French nationality by the Vichy Government, according to a report from Vichy May 4. The count and other members of his family were deprived of their French Nationality in the fall of 1940.

*

Dr. Oh Ouchi, Japanese medical expert connected with the Central China Liaison Office of the Asia Development Board, has returned to Shanghai from a tour of Indo-China and Thailand. Dr. Ouchi said he had made an inspection of medical conditions in the tropics while on his trip.

*

The first flight of a Pan American Clipper plane from Manila to Singapore was scheduled for Friday, May 9. The new service was recently authorized by the U. S. Aeronautical Bureau of the Department of Commrece. The first plane was scheduled to carry a number of officials and a considerable quantity of souvenir mail.

*

The **Central Press Service**, official organ of the Nanking Government, announced May 4 that all police officials and constables had pledged themselves to observe 10 precepts which they were required to commit to memory and observe in the discharge of their daily duties. The text of the precepts was not given.

*

Colonel DeWitt Peck and fellow officers of the U. S. fourth Marines were hosts at a reception and cocktail party at the U.S.M.C. Headquarters Building in the International Settlement Friday, May 2. Guests included a large number of foreign consular and diplomatic officials, officials of local municipalities, and military services, and local foreign residents.

*

Mrs. Cecile Sossichner, Russian Boarding House keeper in Hongkew who concealed Jack Riley, American gambler and escaped convict, was given a suspended sentence of three months in jail by the First Special District Court Friday May 2. Mrs. Sossichner's sentence was suspended for three years pending good behavior.

*

The Tondo business and residential section of Manila was entirely burned out in the largest fire in the city's history May 3. The fires swept through 40 blocks, destroying 1,200 homes and causing damage estimated at five Million Pesos or US$2,500,000. It was the second large fire in Manila in recent weeks, a previous blaze having destroyed several important retail stores.

*

Dr. Kumataro Honda, Japanese Ambassador to Nanking who recently returned to his post from an extended trip to Tokyo, announced May 4 that he will make another trip to Tokyo for the purpose of confering with high Japanese officials. According to **Domei**, Dr. Honda's return to Tokyo, "might result in bringing about important new developments in the relations between Japan and Nanking.

Sir Archibald Clark Kerr, British Ambassador to China, returned to Chungking on May 2, following a trip of two months which included Shanghai, Hongkong, Singapore, Rangoon and Kunming.

*

Dr. William F. Satchel, 64, of Long Beach, Cal. who was physician on the President Coolidge, died in Manila on April 25. He became ill when the ship reached Manila on April 19 and remained there following the sailing of the ship.

*

The American Red Cross has dispatched to Spain 14,500 tons of flour and milk and a large quantity of medical supplies, according to **Havas** report from Madrid on May 2. The latest materials to reach Spain was a cargo of 171 cases of medical supplies, which reached the Spanish port of Huelva on the cargo steamer Devemar. Other steamers which carried Red Cross supplies were the Cold Harbor, the Artigas and the Exmouth. Capt. Edward Lebeltern of the Exmouth said that he was deeply moved by the sufferings of the French people due to shortage of food.

*

Dr. John C. Ferguson of Peiping, in an address before the members of the Royal Asiatic Society in Shanghai on May 1 said that remnants of porcelain vessels dating back to the 14th century B. C., had been found at An-yang. These vessels had been made from deposits of white porcelain clay found at Hsing-chou, just north of An-yang. However, this supply was exhausted in the Tang Dynasty. Pottery vessels came into general use in the first centuries of the Christian era, Dr. Ferguson said. The Sung Emperors were the first to introduced the finer and more beautiful medium of porclain for the manufacure of these vessels. Dr. Ferguson's lecture on the subject, "Sung Dynasty Porcelains," was illustrated wih colored slides.

As a result of the monopolization of China's salt production by the Japanese military authorities, it has become necessary to ration salt in the Nanking area, according to report of the official Nanking **Central Press** on May 5. The report stated that the shortage of salt had become so serious that Salt Administration of the Nanking Finance department had called a meeting of the Muncipal Government and other local officials to consider the situation.

*

The Nazi authorities at Berlin, on March 20, permitted the American Consal, Mr. Lloyd Yates, to hold a 10-minute conversation with Richard C. Hottelet, **United Press** correspondent, who is imprisoned in Alexander Prison of the Gestapo. Mr. Hottelet was arrested several weeks ago by the German secret police on a charge that he was dispatching news reports to Great Britain which were detrimental to the Nazis.

*

Among those who attended the "Bowl of Rice" luncheon at Santa Cruz, California on March 22, were a number of residents and former residents of Shanghai, including Mrs. Peggy Lou Durdin, Gordon Campbell, Doris Campbell, Mr. and Mrs. Julean Arnold, Miss Ethel Arnold, Harrison Arnold, Mrs. Nelle Calder, Mrs. Virginia Farnsworth, Mrs. Ruth Gorman, Mrs. Agnes D. Greene, Mr. and Mrs. Sutton Christian, Mrs. K. W. Macdonald.

*

Dr. Charles Shriver Reifsnider, President of St. Paul's University in Tokyo, has donated his private home to the University for use as a club house for the staff. Dr. Reifsnider's residence as well as the other properties of the University were constructed from funds donated by the American Protestant Episcopal Mission. Dr. Reifsnider has resided in Japan since 1901 and—according to **Domei**—he recently refused to heed the advice of the American Embassy to evacuate.

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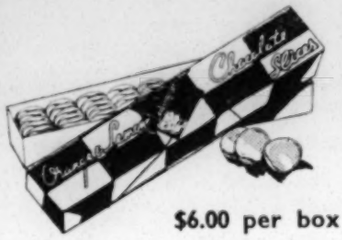

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The German **Transocean** service, which opened a bureau in Manila on February 1, suddenly closed the bureau on May 1, according to **Domei** report from Manila. According to the report, the German news bureau was forced to close because of a boycott of the service by most of the Manila newspapers. Directors of theh bureau announced their intention of proceeding to Shanghai to join the **Transocean** bureau here.

*

According to **United Press** Japanese at Naga, Camarinessur, Philippines, have begun selling their stocks preparatory to departing from the Philippines. According to the **Manila Tribune** the Japanese shop-keepers were disposing of their stocks at 50% reduction, the reason being "bad business." Katsumi Nihro,, Japanese Consul-General, recently visited the "colony" and supposedly advised the Japanese to dispose of their stocks and evacuate.

*

M. Henry Cosme, French Ambassador to Chipa, has announced a renewal of his special fund for the assistance of deserving students of Aurora University at Shanghai, and two French educational institutions in Tientsin, Des Hautes Etudes Industriellers and the Ecole Municipale de Lao-Si Kai. The fund is known as the Cosme Fund and is administered by a committee of which the French Ambassador is Chairman. Assistance has been granted to 33 students, 10 of medicine, 10 of law, and 13 of Science.

*

The Soviet transport authorities are planning shortly to establish a Far Eastern Shipping Service, which will operate cargo vessels from Vladivostok to Saigon, including Manila, according to report in Shanghai shipping circles last week. It was stated that nine ships will be placed in service and that they will be directed from an office in Shanghai. Several Soviet cargo ships have come to Shanghai in recent weeks from Vladivostok for repairs, following which most of them proceeded to Manila for cargoes of copra. It was thought that the entrance of Soviet ships into the Far Eastern trade at this time might result in reduced costs for rice and coal.

*

Dr. Hewlett Johnson, popularly known as the "Red Dean" of Canterbury, has been refused facilities for visiting the United States for the purpose of lecturing in New York, according to report in the **Chicago Daily News**. The report said that the British Government was responsible for the action which prevented the Dean from departing from England on April 5. The Dean said that he had been tabloid newspaper **PM**. The Dean charged that his mail had been interfered with and letters and cables "greatly delayed." The British Foreign Office denied responsibility and said they had not heard of the Dean's desire to proceed to America.

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The annual dinner of Community Church was in the Church auditorium on Wednesday evening, May 7. Business conducted included presentation of reports and election of members to the governing board. There also was a special musical program.

*

The Central China Railroad Company, Japanese concern which operates the former Chinese Government Railroads, has announced the early inauguration of a train ferry across the Yangtsze River at Nanking. The train ferry is a 2,600-ton vessel capable of transporting a 12 car passenger train together with locomotive or a 36 car freight train. The train ferry was purchased by the National Government and operated for a considerable period prior to the Japanese occupation when it was sunk in the Yangtsze. The ferry apparently has been refloated by the Japanese and according to the announcement through passenger train service will be started shortly.

*

The Polish Charge d'Affairs in Shanghai, Stanislaw B. M. de Rosset, held a reception Saturday, May 3, for local consular and diplomatic officials, the occasion being the Polish National Day. Among those who attended were Frank P. Lockhart, American Consul-General; A. H. George, British Consul-General; Mr. R. de Margerie, French Consul-General; Colonel DeWitt Peck, Commander of the Fourth U. S. Marines here, and a number of other foreign officials in Shanghai. In Addition to the reception a special service, largely attended by Polish, Czechoslovakian, and Yugoslavian representatives, was held at the Franciscan Church on Avenue Dubail in the French Concession. The Polish National Day was the 150th anniversary of the promulgation of the Polish constitution.

*

More than 100,000 men, most of them aborigines, were employed in constructting the new highway between Loshan, Szechuen and Sichang in Sikang Province, according to report from Chungking on April 30. The road, which will be opened for traffic in June, will be the main artery of communication between Szechuen and Sikang provinces It traverses a mountainous territory, the difference in altitude from highest to lowest point being 7,305 feet. The higgest point on the road is about 8,000 feet as compared with 7,000 feet on the Burma Road. The road is 12 feet wide, with still wider places at intervals to permit vehicles to pass. The road is said to be superior in construction than the Burma Road. It cost approximately $70,000,000, according to the report.

*

There was an unusual Buddhist ceremony in Shanghhai Saturday, May 3, when a branch of the reputedly oldest historical tree in the world was transplanted. The ceremony was conducted by D. R. Weerappuli of the Ceylon Buddhist Association. The tree planting in the garden of the Pure Karma Temple at 418 Hart Road was attended by many Chinese and some foreign Buddhists. According to C. Kuan, vice-president of the Pure Karma Buddha Association, the branch of the tree has been preserved for the last four and a half years by Mrs. Liza Hardoon, widow of the late S. A. Hardoon, wealthy property owner here who died several years ago. The branch of the tree was brought to Shanghai in 1935 by a Buddhist priest named Bikkhu Narad. He obtained the branch at a place called Buddha-Gaya in India. He claimed that the tree had been planted 500 years before Christ.

The National Northwestern Teachers' College, located in Shensi province, will shortly be removed to Lanchow, capital of Kansu, according to report from Chungking on May 1. Dr. Li Cheng, President of the school, has gone to Lanchow to superintend construction of new buildings, whihch were made possible by an appropriation of $170,000 by the National Ministry of Elucation.

*

Fr. Joseph Young, Chinese Catholic priest connected with the Congregation of Lord's Disciples, was awarded the diploma of Master of Biblical Sciences by the Vatican on May 3. Fr. Young was the first Chinese priest to be given this diploma. He announced his intention of devoting himself to the work of translating the Bible into the Chinese language.

*

The French Ambassador, M. Henri Cosme, on the occasion of St. Philippe's Day, attended the French Church in the Legation Quarter in Peiping, where a special mass was conducted in honor of Marshal Philippe Petain, head of the Vichy Government. The service was attended by members of the French community in Peiping. St. Philippe's Day was the name-day of Marshal Petain.

*

Hu Wen-hu (Aw Boon Haw), Chinese industrialist and philanthropist of Singapore, went to Yungan, Fukien Province on May 4 to take charge of relief work among Chinese refugees who were driven from their homes by the Japanese occupation of Foochow. Dr. Hu took with him the sum of $60,000 which had been raised in Hongkong and elsewhere for relief in Fukien Province.

*

Chang Shu Chi, well known Chinese painter connected with National Central University, departed from Chungking for the United States on April 30. He plans to exhibit his paintings at various national exhibitions and has announced his intentions of donating the proceeds from sales of his works of art to Chinese universities for the purchase of library books. Mr. Chang recently presented one of his paintings entitled "Messenger of Peace," to President Roosevelt.

*

On December 21st, 1940, Stanley Foley, manager of the **Japan Chronicle, Kobe,** independent liberal British daily since 1891, signed in Tokyo a contract for its purchase by Japanese interests. With a view to preserving such independence as is still possible, a British syndicate had made an offer, but the Japanese offer was on paper more advantageous to the existing management. Robert Young, founder and for more than thirty years editor, is believed to have turned in his grave.

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New Books of Interest in the Far East

Foreigners in China

FOREIGN DEVILS IN THE FLOWERY KINGDOM:—By Carl Crow, illustrated by Esther Brock Bird, published by Harper & Brothers, New York and London, 1940, 340 pages. US$3.00.

Lin Yu-tang, in his book "My Country and My People," told the English reading public how the intellectual Chinese live, work, and play. Carl Crow in this present volume "Foreign Devils in the Flowery Kingdom," tells how the Chinese businessmen live, work and play and how foreigners in China live, work and play.

It must be mentioned that Chinese whom foreign businessmen came into contact with were mostly compradores. Occasionally, they were brought together with Chinese officials, who did not want to have anything to do with them. On the whole, it must be said tha a foreign businessman's knowledge of Chinese came entirely from compradores and house boys for period which Mr. Crow describes.

Compradores were certainly a necessary middlemen in those early days of trade between China and foreign countries, when few Chinese could talk English and few foreigners cared to learn Chinese. The compradore system had proved most satisfactory for a time, when compradores bought for the foreign traders whatever they wanted to ship back and sold everything which the foreign traders might have brought from their own countries. However, unintentionally, this compradore system served to separate the foreign traders and the Chinese businessmen. As all the foreign traders took the word of their compradores and all the compradores were not well educated, they were often times wrong in their judgments. This compradore system did much harm in this respect as it hindered the foreign traders from knowing Chinese and learning the Chinese way of business transactions, as the faithful house boys of foreign **taipans**, as described by Mr. Crow, hindered wives from managing their homes. As a result, the "Old China Hand" continued to despise China and the Chinese busines transactions.

It was because of their advantageous position as the middlemen between the foreign traders and the Chinese merchants that they made large sums of money. It was because of blind trust of the foreign traders in their compradores that the latter could afford to build big mansions for the **taipans.** However, the comradores were good businessmen, as Mr. Crow describes. They always kept the title deeds of the house which they presented to their **taipan** to live as they knew that value of land would greatly increase. The present system of trading directly between foreign firms and the Chinese merchants is undoubtedly more satisfactory than the compradore system. At least, it has saved large sums of money in business transactions, which usually went to the pockets of the compradores.

This is also true in the matter of extraterritorial rights. In the early days of trade, what the Chinese Government gave to the foreign traders as residential quarters were but undeveloped waste land of no value. That these quarters have become concessions and valuable property was due to the work and money put into these concessions by both the foreigners and the Chinese. In those early days the foreign traders refused to subject themselves to Chinese jurisdiction and when the Chinese authorities were not interested in disputes among foreign traders, the system of exterritoriality was willingly accepted by everyone concerned as the best solution for the situation. However, it was only when the foreign missionaries tried to protect Chinese "rice Christians" by extraterritorial rights and when foreign traders tried not to pay taxes by exterritorial rights, that the Chinese Government began to call for the abolition of this system. The most serious harm done by extraterritoriality was probably the creation of a sense of superiority among the foreign traders, especially among the "Old China Hand." It was because of this extraterritoriality that they gained more and more privileges and it was because of this exl traterritoriality that they refused to admit that any progress was made in China in the days of 1927-37, as they feared that their admission would mean the abolition of the extraterritorial rights.

Mr. Crow begins his story in this book from the travels of Marco Polo and explains that it was because of the large varieties of goods which Marco Polo bought with him from China to Europe that induced many adventurers to find a short route to China. The first American ship, **Empress of China**, sailed for Canton on February 22, 1784, with the only cargo of a few tons of the Massachusetts ginseng. American traders became immediately competitors of the East India Company, which was selling China opium. This was followed by missionaries and official representatives. The latter, Mr. Crow describes as table pounders. Foreign crooks, beachcombers, gun runners and jail-breakers followed and that after the conclusion of the first World War, it had become impossible for the foreign traders to uphold the prestige of the white man!" The story ends in 1937, when Japan launched her campaign against China.

With a most intimate knowledge of the ways of living of foreign traders in China, Mr. Crow's book is a vivid, romantic, adventurous, and humorous record of the lives of foreign traders in China. It is packed with portrait sketches and ancedotes in abundance, ranging from the eccentric habits of cooks to that of the equally eccentric behavior of government representatives. This book will prove interesting reading material for the general public, especially to foreign traders in China, although there are remarks which they probably would strongly object. This book will prove also interesting material for students of socialogy and political science to anyalyse how culture of the west met that of the east through the business relations of these foreign traders of the China Coast.

F.F.F.A.

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Generalissimo's Speeches

CHINA FIGHTS ON:—War messages of Chiang Kai-shek. Translated from Chinese by Frank Wilson Price. Published by the China Publishing Company, Chungking and Hong Kong. HK$8.

The accomplished translator of the first volume of Generalissimo Chiang Kai-shek's war messages, Dr. Frank Wilson Price, states that these are state papers worthy of a permanent place in the history of this turbulent and fateful era. He in no way exaggerates their importance. After reading this book, which is entitled **China Fights On,** one feels amazement at the apparently unlimited grasp of political, social and military affairs possessed by the man who has gained unquestioned leadership in the most populous country the earth.

The books shows that the Generalissimo never for a moment has weakened in his belief that China will emerge successfully from her war with Japan. He was confident and unperturbed even when things looked darkest and he communicated his optimistic outlook to the people through his messages. This undoubtedly encouraged them to persevere doggedly in the resistance which has won the admiration of the world. The leader was certainly mainly responsible for upholding the national morale. Even the lack of any considerable support from what are generally known as the democratic countries was used by him as an incentive to the Chinese nation to show the whole world that they were prepared and willing to fight single-handedly, although the war was as much for the sake of others as herself.

The wonderful versatility of the man and his inflexible determination is shown in each of his war messages. The Generalissimo is as much at home in discussing problems of military strategy as in exposing the hypocrisy and bad faith of Prince Konoye and other Japanese leaders. He points out that superficial observers abroad might think that Japan really had no designs on Chinese territory or sovereignty. The telling point is made that exactly similar reassurances were given to Korea—now a province of Japan. If China were so foolish as to accept Japan's promises as binding she would cease to be a nation.

There is nothing bombastic about his assertions that victory will eventually fall to China. In a quiet and dignified way, he shows that no ill will is felt for the Japanese people who have allowed themselves to be deluded and led astray by their megalomaniac militarists.

Chiang Kai-shek is a believer in reiteration. He repeats himself time after time, but always with the object of laying additional emphasis on what he has originally said. This reiteration, instead, of decreasing, adds immensely to the value of **China Fights On.** Changing situations, he admits, have to be met by new tactics, but he maintains that thhe strategy of China has never altered since the beginning of the war—to lure the Japanese further and further from the coast and compel them to extend their front.

In a dignified, yet emphatic, manner, China's leader refers to the fact that she is fighting the battles of other democracies who were a long time awakening o that fact. Much more assistance to prosecute the war was actually given to Japan by the democracies than to China. This was very disappointing and incomprehensible to the Chinese. He urged them not to lose heart, however. China had shown that, even unaided, she had maintained her resistance, and was even able to take the initiative when she desired. The prolongation of the war had meant a steady augmentation of the strength of China and a simultaneous weakening of Japan.

The messages are not exclusively concerned with the war. Exhortation to cleanse the life of officials and private individuals is stressed throughout. Preparations for reconstruction were made while the war was raging and had been attended by considerable success. All were urged, in several messages, to assist in the reconstruction movement during and after the war.

A perusal of these war messages creates a belief that it is profoundly true that the crisis produces the man. China's need for a leader was never greater and this book proves that she has found him. And the Generalissimo is, above all, a believer in the destiny of the Chinese people. The war messages are the expression of the soul of the Chinese race.

P.F.B.

In the United States Court for China

MORRIS SCHUSTER, *Plaintiff,* vs. JEANETTE SCHUSTER, *Defendant.*	Cause No. 4590 Civil No. 2469 ORDER Filed at Shanghai, China, April 28, 1941 WILLIAM T. COLLINS Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, Messrs. Rodger & Wiener, has this 28th day of April, 1941, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 28th day of April, 1941, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 28th day of April, 1941, the plaintiff herein filed an Affidavit to the effect that the defendant is a non-resident of this District, and that defendant's last known address was No. 2710 Bainbridge Avenue, Bronx, New York, United States of America.

Now, THEREFORE, it is this 28th day of April, 1941, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the China Weekly Review, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 17th day of May, 1941, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

MILTON J. HELMICK,
Judge.

In the United States Court for China

In re: The Estate of MALCOLM F. FARLEY Deceased.	Cause No. 4587 Special Proceedings No. 2466 NOTICE to Creditors To be filed at Shanghai, China, April 22, 1941 WILLIAM T. COLLINS *Clerk.*

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of MALCOLM F. FARLEY, deceased, to present the same with vouchers to the undersigned on or before 26th day of October, 1941, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

(Signed) PAUL P. WIANT
Foochow, China.
or
ALLMAN, DAVIES and KOPS
208 Hamilton House,
Shanghai, China.

Shanghai, China.
April 22, 1941.

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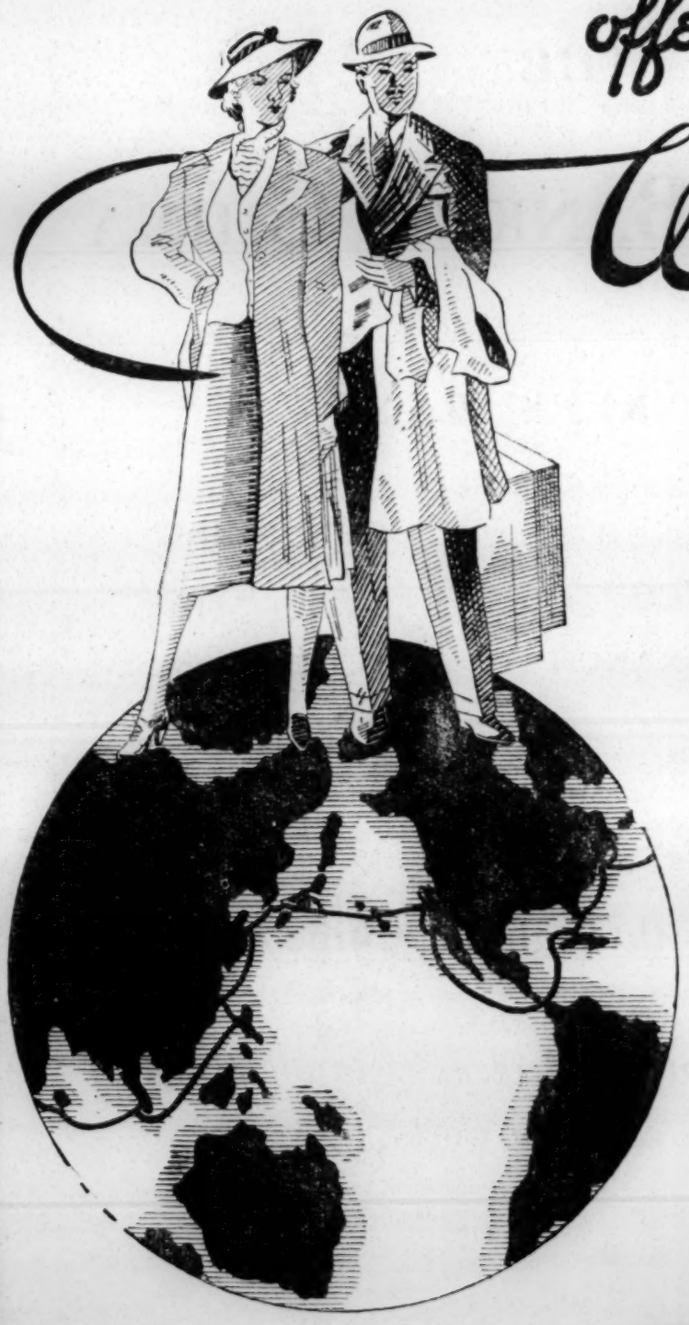

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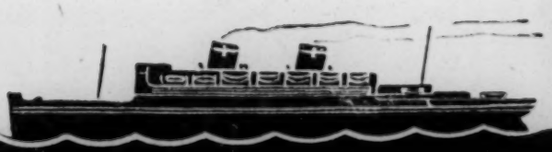

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